



BOUNDLESS ENERGY™

Legal Department

American Electric Power
1 Riverside Plaza
Columbus, OH 43215-2373
AEP.com

May 4, 2018

The Honorable Greta See
The Honorable Sarah Parrot
Attorney Examiners
Public Utilities Commission of Ohio
180 East Broad Street
Columbus Ohio 43215-3793

Steven T. Nourse
Chief Ohio
Regulatory Counsel
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Re: *In the Matter of the Application of Ohio Power Company
for Authority to Establish a Standard Service Offer
Pursuant to Section 4928.143, Revised Code, in the Form
of an Electric Security Plan, Case No. 16-1852-EL-SSO;
In the Matter of the Application of Ohio Power Company
for Approval of Certain Accounting Authority, Case No.
16-1853-EL-AAM*

Dear Attorney Examiners:

Enclosed are compliance tariffs for Ohio Power Company (AEP Ohio), which are being filed in accordance with the Commission's Opinion and Order dated April 25, 2018 in Case Nos. 16-1852-EL-SSO and 16-1853-EL-AAM (Opinion and Order). Attachment A is a redlined version of the Company's tariffs that incorporates changes adopted in the Opinion and Order. Attachment B is a clean version of those compliance tariffs. The tariffs are proposed to become effective commencing with bills rendered in the first billing cycle of June 2018 (*i.e.*, starting May 30). Upon approval by the Commission, the Company will update its tariffs previously filed electronically with the Commission's Docketing Division.

The compliance tariffs include various riders modified and/or approved for continuation in the extended ESP III term. The intent is to update the effective date and authorizing order for each affected tariff but to preserve and continue the existing process for updating the actual rider rates. For example, the Company previously committed to file an update to its Basic Transmission Cost Rider to reflect a reduction in the rate as a result of tax savings – and it will be making that filing yet in May. That separate filing will serve to update the rider rate and will also include the rate applicable to the new County Fair Transmission Supplement. The Company will also be filing its Generation Energy (GENE) and Generation Capacity (GENC) Riders in May as a result of the most recent auctions to establish new rates effective June 1, 2018. The reduction in the gross up related to Public

Utility Commission of Ohio (PUCO) and Ohio Consumers Counsel (OCC) assessment fees will be included with those updated GENE and GENC filings.

Separate from the compliance tariffs, AEP Ohio is also taking this opportunity to submit additional compliance documents (Attachments C through I) that implement the August 25, 2017 Stipulation approved by the Commission (Stipulation). These additional documents do not need to be addressed in the Commission decision approving the compliance tariffs but are being submitted here for convenience and transparency to the parties involved in this proceeding.

Attachment C is the redlined Supplier Tariff that was referenced in Paragraph III.K of the Stipulation and Attachment D is a clean version of that document.

Attachment E is the redlined CRES-EDU Agreement that was referenced in Paragraph III.K of the Stipulation and Attachment F is a clean version of that document.

Attachment G is the redlined Master SSO Agreement that was referenced in Paragraph III.M of the Stipulation and Attachment H is a clean version of that document. Paragraph III.J.7 of the Stipulation states that the Company “agrees to amend the Master Supply Agreement included in Company witness Weiss's testimony to classify Generation Deactivation Charges (PJM Billing Line Item 1930) as an EDC responsibility, which is currently the way those costs are allocated.” In the redlined version of the Master Supply agreement, the Company has also included the corresponding Generation Deactivation Credit from PJM line item 2930 as an EDC responsibility.

Attachment I is the updated cost of capital for AEP Ohio. Consistent with Paragraph III.C.5 of the Stipulation, the Company has already completed its long-term debt refinancing and this lower cost of capital will be conveyed to customers effective with the beginning of the extended ESP III term in June 2018.

Thank you for your attention to this matter.

Regards,

Steven T. Nourse
Senior Counsel
American Electric Power Service
Corporation

Honorable Greta See
Honorable Sarah Parrot
May 4, 2018
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cc: Parties of Record

Attachment A – Redline Tariffs

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Schedule		Sheet No(s)	Effective Date
	Ohio Power & Columbus Southern Power Rate Zones		
	Table of Contents	101-1 thru 101-2	April 12, 2018 <u>Cycle 1 June 2018</u>
	List of Communities Served	102-1 thru 102-9	January 1, 2012
	Terms and Conditions of Service	103-1 thru 103-48	April 19, 2017
	Applicable Riders	104-1	Cycle 1 April 2018 <u>Cycle 1 June 2018</u>
	Ohio Power Rate Zone		
RS	Residential Service	210-1 thru 210-3	June 1, 2015
RS-ES	Residential Energy Storage	211-1 thru 211-2	June 1, 2015
RS-TOD	Residential Time-of-Day	212-1 thru 212-2	June 1, 2015
RDMS	Residential Demand Metered Service	213-1 thru 213-2	June 1, 2015
<u>RSDM</u>	<u>Residential Service – Demand Metered</u>	<u>214-1 thru 214-2</u>	<u>Cycle 1 June 2018</u>
GS-1	General Service – Non-Demand Metered	220-1 thru 220-3	June 1, 2015
GS-2	General Service - Low Load Factor	221-1 thru 221-5	June 1, 2015
GS-TOD	General Service – Time-of-Day	222-1 thru 222-2	June 1, 2015
GS-3	General Service – Medium/High Load Factor	223-1 thru 223-4	June 1, 2015
GS-4	General Service – Large	224-1 thru 224-4	June 1, 2015
COGEN/SPP	Cogeneration and/or Small Power Production	226-1 thru 226-3	June 1, 2015
SBS	Standby Service	227-1 thru 227-2	June 1, 2015
AL	Area Lighting	240-1 thru 240-3	January 1, 2015
SL	Street Lighting	241-1 thru 241-7	January 1, 2015
EHG	Electric Heating General	242-1 thru 242-2	June 1, 2015
EHS	Electric Heating Schools	243-1 thru 243-2	June 1, 2015
SS	School Service	244-1 thru 244-2	June 1, 2015
	Columbus Southern Power Rate Zone		
R-R	Residential Service	310-1 thru 310-4	June 1, 2015
R-R-1	Residential Small Use Load Management	311-1 thru 311-4	June 1, 2015
RLM	Residential Optional Demand Rate	312-1 thru 312-4	June 1, 2015
RS-ES	Residential Energy Storage	313-1 thru 313-3	June 1, 2015
RS-TOD	Residential Time-of-Day	314-1 thru 314-2	June 1, 2015
RS-TOD 2	Experimental Residential Time-of-Day	315-1 thru 315-2	June 1, 2015
DLC Rider	Experimental Direct Load Control Rider	316-1 thru 316-4	Cycle 1 September 2012
CPP	Experimental Critical Peak Pricing Service	317-1 thru 317-3	June 1, 2015
RTP	Experimental Residential Real-Time Pricing Service	318-1 thru 318-3	June 1, 2015
<u>RSDM</u>	<u>Residential Service – Demand Metered</u>	<u>319-1 thru 319-2</u>	<u>Cycle 1 June 2018</u>
GS-1	General Service – Small	320-1 thru 320-3	June 1, 2015
GS-1 TOD	Experimental Small General Service Time-of-Day	320-4 thru 320-5	June 1, 2015
GS-2	General Service – Low Load Factor	321-1 thru 321-4	June 1, 2015
GS-2-TOD	General Service – Time-of-Day	322-1 thru 322-2	June 1, 2015
GS-3	General Service – Medium Load Factor	323-1 thru 323-4	June 1, 2015
GS-4	General Service – Large	324-1 thru 324-3	June 1, 2015
COGEN/SPP	Cogeneration and/or Small Power Production	326-1 thru 326-4	June 1, 2015
SBS	Standby Service	327-1 thru 327-2	June 1, 2015

Filed pursuant to Order dated April 25, 2018 in Case No. ~~18-440-EL-ATA and 18-441-EL-ATA-16-1852-EL-SSO~~

Issued: May 4, 2018 April 12, 2018

Effective: April 12, 2018 Cycle 1 June 2018

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 AEP Ohio

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SL	Street Lighting	340-1 thru 340-4	January 1, 2015
AL	Private Area Lighting	341-1 thru 341-3	January 1, 2015
Supp. No. 18	Church and School Service	352-1	June 1, 2015
	Ohio Power & Columbus Southern Power Rate Zones		
IRP- L	Interruptible Power Rider – <u>Legacy</u> Discretionary Rider	427-1 thru 427- 35	Cycle 1 September 2012 <u>Cycle 1 June 2018</u>
NEMS	Net Energy Metering Service	428-1 thru 428-2	January 1, 2012
NEMS-H	Net Energy Metering Service - Hospitals	429-1 thru 429-2	January 1, 2012
<u>PEV</u>	<u>Pilot Plug-In Electric Vehicles</u>	<u>430-1</u>	<u>Cycle 1 June 2018</u>
PA	Pole Attachment	443-1 thru 443-3	April 12, 2017
Supp. No. 21	Public Authority – Delayed Payment	453-1	January 1, 2012
<u>CFTS</u>	<u>County Fair Transmission Supplement</u>	<u>454-1</u>	<u>Cycle 1 June 2018</u>
	Universal Service Fund Rider	460-1	Cycle 1 January <u>June 2018</u>
	Bad Debt Rider	461-1	Cycle 1 June 1, 2018-2015
	KWH Tax Rider	462-1	January 1, 2012
	Residential Distribution Credit Rider	463-1	January 1, 2012 <u>Cycle 1 June 2018</u>
	Pilot Throughput Balancing Adjustment Rider	464-1	July 1, 2017 <u>Cycle 1 June 2018</u>
	Deferred Asset Phase-In Rider	465-1	Cycle 1 June 2018 <u>August 1, 2017</u>
	<u>Automaker Credit Rider</u>	<u>466-1</u>	<u>Cycle 1 June 2018</u>
	Generation Energy Rider	467-1	Cycle 1 June 2018 <u>June 1, 2017</u>
	Generation Capacity Rider	468-1 thru 468-2	Cycle 1 June 2018 <u>June 1, 2017</u>
	Auction Cost Reconciliation Rider	469-1	Cycle 1 April <u>June 2018</u>
	Electronic Transfer Rider	470-1	January 1, 2012
	<u>Competition Incentive Rider</u>	<u>471-1</u>	<u>Cycle 1 June 2018</u>
	<u>SSO Credit Rider</u>	<u>472-1</u>	<u>Cycle 1 June 2018</u>
	Power Purchase Agreement Rider	473-1	April 5, 2018 <u>Cycle 1 June 2018</u>
	Basic Transmission Cost Rider	474-1	Cycle 1 April 2018 <u>Cycle 1 June 2018</u>
	Pilot Demand Response Rider	480-1	June 1, 2015 <u>Cycle 1 June 2018</u>
	Energy Efficiency and Peak Demand Reduction Cost Recovery Rider	481-1	April 12, 2018 <u>Cycle 1 June 2018</u>
	Economic Development Cost Recovery Rider	482-1	Cycle 1 April 2018 <u>Cycle 1 June 2018</u>
	Enhanced Service Reliability Rider	483-1	April 12, 2018

Filed pursuant to Order dated April 25, 2018 in Case No. ~~18-440-EL-ATA and 18-441-EL-ATA-16-1852-EL-SSO~~

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	Retail Stability Rider	487-1	Cycle 1 <u>June</u> 2018 March 2017
	Renewable Energy Technology Program Rider	488-1 thru 488-3	January 1, 2012
	Distribution Investment Rider	489-1	Cycle 1 <u>June</u> March 2018
	Storm Damage Recovery Rider	490-1	Cycle 1 June 2018 2017
	<u>Renewable Generation Rider</u>	<u>491-1</u>	<u>Cycle 1 June 2018</u>
	Alternative Energy Rider	492-1	Cycle 1 April <u>June</u> 2018
	<u>Power Forward Rider</u>	<u>493-1</u>	<u>Cycle 1 June 2018</u>
	Phase-In Recovery Rider	494-1	Cycle 1 March 2017 <u>June 2018</u>
	<u>Smart City Rider</u>	<u>495-1</u>	<u>Cycle 1 June 2018</u>
<u>IRP-E</u>	<u>Interruptible Power Rider – Expanded Service</u> <u>Discretionary Rider</u>	<u>496-1 thru 496-2</u>	<u>Cycle 1 June 2018</u>

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P.U.C.O. NO. 20

Applicable Riders

Rider Description	Ohio Power Rate Zone		Columbus Southern Power Rate Zone		Sheet No.
	Standard Service	Open Access Distribution Service	Standard Service	Open Access Distribution Service	
Interruptible Power Rider – Legacy Discretionary Rider	Yes	Yes	Yes	Yes	427459-1
Universal Service Fund Rider	Yes	Yes	Yes	Yes	460-1
Bad Debt Rider	Yes	Yes	Yes	Yes	461-1
KWH Tax Rider	Yes	Yes	Yes	Yes	462-1
Residential Distribution Credit Rider	Yes	Yes	Yes	Yes	463-1
Pilot Throughput Balancing Adjustment Rider	Yes	Yes	Yes	Yes	464-1
Deferred Asset Phase-In Rider	Yes	Yes	Yes	Yes	465-1
Automaker Credit Rider	Yes	Yes	Yes	Yes	466-1
Generation Energy Rider	Yes		Yes		467-1
Generation Capacity Rider	Yes		Yes		468-1
Auction Cost Reconciliation Rider	Yes		Yes		469-1
Electronic Transfer Rider	Yes	Yes	Yes	Yes	470-1
Competition Incentive Rider	Yes		Yes		471-1
SSO Credit Rider	Yes	Yes	Yes	Yes	472-1
Power Purchase Agreement Rider	Yes	Yes	Yes	Yes	473-1
Basic Transmission Cost Rider	Yes	Yes	Yes	Yes	474-1
Transmission Under-Recovery Rider	Yes	Yes	Yes	Yes	476-1
Pilot Demand Response Rider	Yes	Yes	Yes	Yes	480-1
Energy Efficiency and Peak Demand Reduction Cost Recovery Rider	Yes	Yes	Yes	Yes	481-1
Economic Development Cost Recovery Rider	Yes	Yes	Yes	Yes	482-1
Enhanced Service Reliability Rider	Yes	Yes	Yes	Yes	483-1
gridSMART® Phase 2 Rider	Yes	Yes	Yes	Yes	485-1
Retail Stability Rider	Yes	Yes	Yes	Yes	487-1
Renewable Energy Technology Program Rider	Yes	Yes	Yes	Yes	488-1
Distribution Investment Rider	Yes	Yes	Yes	Yes	489-1
Storm Damage Recovery Rider	Yes	Yes	Yes	Yes	490-1
Renewable Generation Rider	Yes	Yes	Yes	Yes	491-1
Alternative Energy Rider	Yes		Yes		492-1

Filed pursuant to Order dated ~~April 25, 2018~~ February 23, 2017 in Case No. ~~10-2929-EL-UNC et al.~~ 16-1852-EL-SSO

Issued: ~~March 29, 2018~~ May 4, 2018

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P.U.C.O. NO. 20

Applicable Riders

<u>Power Forward Rider</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>493-1</u>
Phase-In Recovery Rider	Yes	Yes	Yes	Yes	494-1
<u>Smart City Rider</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>495-1</u>
<u>Interruptible Power Rider – Expanded</u>					
<u>Service Discretionary Rider</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>496-1</u>

Filed pursuant to Order dated April 25, 2018 ~~February 23, 2017~~ in Case No. ~~10-2929-EL-UNC et al.~~ 16-1852-EL-SSO

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OHIO POWER COMPANY
Ohio Power Rate Zone

Original Sheet No. 214-1

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P.U.C.O. NO. 20
SCHEDULE RS D
(Residential Service – Demand-Metered)

Availability of Service

Available for residential service through one meter to individual residential customers.

Monthly Rate (Schedule Codes 010)

	<u>Distribution</u>
<u>Customer Charge (\$)</u>	<u>8.40</u>
<u>Monthly Demand Charge (\$ per KW)</u>	<u>3.17</u>

Monthly Billing Demand

Energy supplied hereunder will be delivered through not more than 1 single-phase or 1 poly-phase meter. Billing demand in KW shall be taken each month as the single highest 30-minute integrated peak in KW as registered during the month by a 30-minute integrating demand meter or indicator.

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge and all applicable riders.

Filed pursuant to Order dated April 25, 2018, in Case No. 16-1852-EL-SSO

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P.U.C.O. NO. 20

SCHEDULE RS D
(Residential Service – Demand-Metered)

Payment

Bills are due and payable in full by mail, checkless payment plan, electronic payment plan or at an authorized payment agent of the Company within 15 days after the mailing of the bill.

Applicable Riders

Monthly Charges computed under this schedule shall be adjusted in accordance with the Commission-approved riders on Sheet Number 104-1.

Term of Contract

A written agreement may, at the Company's option, be required.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

This schedule is available to customers engaged in agricultural enterprises where service is taken through 1 meter for that customer's primary residence, and not more than 100 KW of connected electrical load is outside the residence. This schedule is not extended to operations of a commercial nature or operations such as processing, preparing, or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

This schedule is intended for single-phase service. Where the residential customer requests 3-phase service, this schedule will apply if the customer pays to the Company the difference between constructing single-phase and 3-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service schedule will apply to such service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP, Schedule NEMS, or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under the applicable Residential Schedule or Schedule NEMS. At its discretion, the Company may require that Company-owned metering be installed to monitor the customer's generation. The Company reserves the right to inspect the customer's relays and protective equipment at all reasonable times.

Filed pursuant to Order dated April 25, 2018, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

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AEP Ohio

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OHIO POWER COMPANY
Columbus Southern Power Rate Zone

Original Sheet No. 319-1

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P.U.C.O. NO. 20
SCHEDULE RS D
(Residential Service – Demand-Metered)

Availability of Service

Available for residential service through one meter to individual residential customers.

Monthly Rate (Schedule Codes 010)

	<u>Distribution</u>
<u>Customer Charge (\$)</u>	<u>8.40</u>
<u>Monthly Demand Charge (\$ per KW)</u>	<u>3.17</u>

Monthly Billing Demand

Energy supplied hereunder will be delivered through not more than 1 single-phase or 1 poly-phase meter. Billing demand in KW shall be taken each month as the single highest 30-minute integrated peak in KW as registered during the month by a 30-minute integrating demand meter or indicator.

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge and all applicable riders.

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AEP Ohio

OHIO POWER COMPANY
Columbus Southern Power Rate Zone

Original Sheet No. 319-2

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P.U.C.O. NO. 20

SCHEDULE RS D
(Residential Service – Demand-Metered)

Payment

Bills are due and payable in full by mail, checkless payment plan, electronic payment plan or at an authorized payment agent of the Company within 15 days after the mailing of the bill.

Applicable Riders

Monthly Charges computed under this schedule shall be adjusted in accordance with the Commission-approved riders on Sheet Number 104-1.

Term of Contract

A written agreement may, at the Company's option, be required.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

This schedule is available to customers engaged in agricultural enterprises where service is taken through 1 meter for that customer's primary residence, and not more than 100 KW of connected electrical load is outside the residence. This schedule is not extended to operations of a commercial nature or operations such as processing, preparing, or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

This schedule is intended for single-phase service. Where the residential customer requests 3-phase service, this schedule will apply if the customer pays to the Company the difference between constructing single-phase and 3-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service schedule will apply to such service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP, Schedule NEMS, or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under the applicable Residential Schedule or Schedule NEMS. At its discretion, the Company may require that Company-owned metering be installed to monitor the customer's generation. The Company reserves the right to inspect the customer's relays and protective equipment at all reasonable times.

Filed pursuant to Order dated April 25, 2018, 2018 in Case No. 16-1852-EL-SSO

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AEP Ohio

OHIO POWER COMPANY

^{1st} Revised Sheet No. 427-1
Original Replaces Sheet No. 427-1

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P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power — Discretionary)

Availability of Service

Service pursuant to this rider is available to legacy customers who have remained participants in the IRP-D program continuously since 2015 and that have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Legacy cCustomers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity.

The ~~total~~ interruptible power contract capacity for all legacy customers served under this rider, contracts and agreements offered by the Company will be limited to 200,000 75,000 kW total in the Company's Ohio service area, Columbus Southern Power Rate Zone and 450,000 kW in the Ohio Power Rate Zone. Each legacy customer is limited to the amount of interruptible service currently under contract. If a legacy customer reduces the amount of interruptible load under contract, the new lower interruptible contract volume shall be the maximum amount of interruptible service eligible for this service. Loads of new customers locating within the Company's service area or load expansions by existing customers may be offered interruptible service as part of an economic development or competitive response incentive. Such interruptible service shall not be counted toward the limitation on total interruptible power contract capacity, as specified above, and will not result in a change to the limitation on total interruptible power contract capacity.

In the event of a local emergency or if the Company receives an interruptible notice originating from PJM, tThe Company will issue an interruption notification. Each customer participating in this rider is responsible for providing and maintaining current contract information with the Company. communicates interruption information to the customer, monitors customer load and receives customer replacement electricity decisions through its Customer Communications System or a successor system. All costs associated with providing the initial, required Customer Communications System will be borne by the legacy customer.

Interruption Conditions

The Company reserves the right to interrupt, in its sole discretion, service under this rider at any time. Such interruptions shall be designated as Discretionary Interruptions and shall not exceed 200 hours of interruption during any year. For the purposes of this provision, a year shall be defined as a consecutive twelve (12) month period commencing on May 1 and ending on April 30. Discretionary Interruptions will be called simultaneously for all customers served under this rider.

In addition to the annual limitation as specified above, the hours of Discretionary Interruption shall be limited as follows:

1. A Discretionary Interruption, beginning and ending as specified in the Interruption Notice provision below, shall constitute one (1) event.
2. A Discretionary Interruption event shall not be less than three (3) consecutive hours, unless there are less than three (3) hours of Discretionary Interruption remaining for the year.
3. There shall not be more than 12 hours of Discretionary Interruption per day.

Filed pursuant to Order dated April 25, 2018 August 8, 2012 in Case No. 16-1852-EL-SSO 11-346-EL-SSO

Issued: August 16, 2012 May 4, 2018

Effective: Cycle 1 June 1, 2018 September 2012

Issued by
Pablo Vegas Julia Sloat, President
AEP Ohio

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OHIO POWER COMPANY

^{1st} Revised Sheet No. 427-1
Original Replaces Sheet No. 427-2

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P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power ~~—~~ Discretionary)

4. ~~During the calendar months of March through November, there shall not be more than one (1) Discretionary Interruption event per day.~~

Filed pursuant to Order dated April 25, 2018~~August 8, 2012~~ in Case No. 16-1852-EL-SSO~~11-346-EL-SSO~~

Issued: August 16, 2012~~May 4, 2018~~

Effective: Cycle 1 June 2018~~September 2012~~

Issued by
Pablo Vegas~~Julia Sloat~~, President
AEP Ohio

P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power - Discretionary)

Interruption Conditions (Cont'd)

5. ~~During the calendar months of December, January and February, there shall not be more than two (2) Discretionary Interruption events per day. Any such Discretionary Interruption events shall be separated by not less than three (3) consecutive hours without Discretionary Interruption.~~

~~Emergency Interruptions pursuant to the AEP Emergency Operating Plan, for system integrity purposes or for emergency sales to other utilities, shall not count toward the total hours of interruption specified above or toward the five (5) limits specified above.~~

Interruption Notice

~~The Company will endeavor to provide the customer with as much advance notice as reasonably possible of an upcoming emergency interruption Discretionary Interruption. Such notice shall specify the starting and ending hour of the Discretionary Interruption if known. Discretionary Interruptions shall begin and end on the clock hour. The Company shall provide notice to the customer a minimum of 100 minutes prior to the commencement of a Discretionary Interruption. After such notice, the customer will be required to interrupt service within 100 minutes if so requested by the Company. If an emergency situation requires an immediate action by AEP Ohio, the customer will be required to interrupt service immediately. The Company may notify the legacy customer of interruptions of their service due to actions of the regional transmission organization. In emergency situations, the customer will be required to interrupt service immediately.~~

Failure to Comply With A Request For Interruption

1. ~~If the legacy customer fails to interrupt load as requested by the Company for an emergency interruption Discretionary Interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. pay for the entire uninterrupted energy for the duration of the Discretionary Interruption at two (2) times the Replacement Electricity price offered by the Company. The uninterrupted demand energy will be calculated for each 30-minute period during the Discretionary Interruption as one-half of the as the difference between the maximum 30-minute integrated demand during each emergency interruption and the sum of the legacy customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the Demand Credit as specified in this rider.~~
2. ~~If the legacy customer fails to interrupt load as requested by the Company during an emergency for an Emergency Interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each Emergency Interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the demand credit as specified in this rider. The Company further reserves the right to:~~
3. ~~If the customer fails to interrupt load as requested by the Company during an Emergency Interruption, the Company further reserves the right to:~~
 - a) Interrupt the customer's entire interruptible load.

Filed pursuant to Order dated April 25, 2018 August 8, 2012 in Case No. 16-1852-EL-SSO 11-346-EL-SSO

Issued: August 16, 2012 May 4, 2018

Effective: Cycle 1 June 2018 September 2012

Issued by
Pablo Vegas Julia Sloat, President
AEP Ohio

OHIO POWER COMPANY

Original Sheet No. 427-2

P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power - Discretionary)

Filed pursuant to Order dated April 25, 2018~~August 8, 2012~~ in Case No. 16-1852-EL-SSO~~11-346-EL-SSO~~

Issued: August 16, 2012~~May 4, 2018~~

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Issued by
Pablo Vegas~~Julia Sloat~~, President
AEP Ohio

P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power - Discretionary)

Failure to Comply With A Request For Interruption (Cont'd)

- b) ~~Discontinue service to the customer under this rider if the customer fails to interrupt load twice during any 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this rider, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.~~ Discontinue service to the customer under this rider if the customer fails to interrupt load twice during any 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this rider, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

~~Contracts under this rider shall be made for a period of not less than one (1) PJM delivery year (June 1 through May 31) with notice to participate due by April 1st each year.~~

The customer shall contract for capacity sufficient to meet normal maximum power requirements under the applicable standard service rate schedule. In no event will the amount of interruptible capacity contracted for be less than 1,000-KW at any delivery point. The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.

~~Contracts under this rider shall be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service from the Company.~~

A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.

~~While the customer will be required to provide at least 1-year's notice to discontinue service from the Company, the customer will be required to provide 5-year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.~~

The customer may transfer to firm service with less than 5-year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:

1. ~~If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.~~

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P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power - Discretionary)

2. ~~If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.~~

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Pablo Vegas~~Julia Sloat~~, President
AEP Ohio

P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power - Discretionary)Firm Service Designation

The customer must designate a firm service contract capacity for such service.

Replacement Electricity

When a Discretionary Interruption is called pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to supply replacement electricity in order for the customer to avoid an interruption. The customer will be required to specify an hourly KW capacity, in multiples of 1,000 KW, of such replacement electricity 65 minutes in advance of the commencement of each hour of the Discretionary Interruption.

The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:

1. The customer agrees to pay the price offered by the Company. Such price shall be provided by the Company 100 minutes in advance of the commencement of each hour of the Discretionary Interruption.
2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.
3. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this rider regarding interruption.
4. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.
5. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP Emergency Operating Plan, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.
6. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.

Filed pursuant to Order dated August 8, 2012 April 25, 2018 in Case No. 11-34616-1852-EL-SSO

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AEP Ohio

P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power - Discretionary)

~~7. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity available for, but not used by the customer at a rate of 2.5¢ per KWH, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.~~

Capacity Payment Contributions

- ~~1. Each legacy customer shall bid its eligible interruptible capacity in either the PJM Base Residual Auction or a PJM Incremental Auction. Capacity and emergency energy revenues net of administrative fees obtained from such capacity contract(s) sales shall be paid to the Company for distribution in equal measure to the Energy Efficiency and Peak Demand Reduction Cost Recovery Rider and the Economic Development Rider. Failure by the legacy customer to properly account for, document when requested, and make full payment of capacity and emergency energy revenues to AEP Ohio may result in dismissal from the program and request for full payment with reasonable interest.~~
- ~~2. Each legacy customer may continue to act as their own curtailment service provider or employ a PJM qualified curtailment service provider so long as the legacy customer, as a condition of continued participation in the program, actively bid their interruptible capacity into the PJM auctions, and stand ready to account for and document the collection and payment to AEP Ohio of the interruptible capacity and emergency energy revenues. The Legacy Customer program will sunset with the June 1, 2024 billing cycle.~~

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Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

Generation Demand Credit (\$ per KW)

Delivery Voltage <u>Service Years</u>	OPCO Prior to- Rate Zone June 1, 2018	GSP <u>Beginn</u> ing Rate Zone June 1, 2018
Secondary	(8.21)	(8.21)
Primary	(8.21)	(8.21)
Subtransmission	(8.21)	(8.21)(9.00))
Transmission	(8.21)	(8.21)(9.00))

Filed pursuant to Order dated August 8, 2012 April 25, 2018 in Case No. 11-34616-1852-EL-SSO

Issued: August 16, 2012 May 4, 2018

Effective: Cycle 1 September June 20182 _-

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Pablo Vegas Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

RIDER IRP-D ~~Legacy~~
(Interruptible Power - Discretionary)

The Demand Credit shall apply to the customer's monthly interruptible demand. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the standard service rate schedule under which the customer receives service and the customer designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible service contract capacity.

Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

Filed pursuant to Order dated ~~August 8, 2012~~ April 25, 2018 in Case No. ~~11-34616-1852~~-EL-SSO

Issued: ~~August 16, 2012~~ May 4, 2018

Effective: Cycle 1 ~~September-June~~ 20182 _-

Issued by
~~Pablo Vegas~~ Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

SCHEDULE PEV
(Pilot Plug-In Electric Vehicle Schedule)

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Schedule PEV of \$0.00.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Effective: Cycle 1 June , 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

COUNTY FAIR TRANSMISSION SUPPLEMENT
(Transmission Rider Classification for County Fair Accounts)

Availability

This Supplement shall apply to county fairs. It shall not be available to any customer receiving service pursuant to the terms of a special contract.

Account Classification for Basic Transmission Cost Rider

For purposes of the Basic Transmission Cost Rider, accounts receiving service under this rider shall be billed the Non Demand Metered class rate per kWh.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

UNIVERSAL SERVICE FUND RIDER

Ohio Power Rate Zone

Effective Cycle 1 January 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Universal Service Fund charge of 0.34648¢/KWH for the first 833,000 KWH consumed each month and 0.01681¢/KWH for all KWH consumed each month in excess of 833,000 KWH.

Columbus Southern Power Rate Zone

Effective Cycle 1 January 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Universal Service Fund charge of 0.25116¢/KWH for the first 833,000 KWH consumed each month and 0.01830¢/KWH for all KWH consumed each month in excess of 833,000 KWH.

Filed pursuant to Order dated ~~December 13, 2017~~April 25, 2018 in Case No. ~~17-1377-EL-USF~~16-1852-EL-SSO

Issued: ~~December 15, 2017~~May 4, 2018

Effective: Cycle 1 ~~January-June~~2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

BAD DEBT RIDER

Effective June 1, 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Bad Debt charge of \$0.00.

Filed pursuant to Order dated ~~February 25, 2015~~ April 25, 2018 in Case No. ~~13-2385-EL-SSO~~ 16-1852-EL-SSO

Issued: ~~April 24, 2015~~ May 4, 2018

Effective: ~~June 1, 2015~~ Cycle 1 June 2018

Issued by

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AEP Ohio

P.U.C.O. NO. 20

Residential Distribution Credit Rider

Effective January 1, 2012, all customer bills subject to the provision of this Rider, including any bills rendered under special contract, shall be adjusted by the Residential Distribution Credit Rider credit of 3.5807% of base distribution revenue. ~~This Rider will expire May 31, 2015.~~

Filed pursuant to Orders dated ~~December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR, and 11-352-EL-AIR~~ April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: ~~December 22, 2014~~ May 4, 2018

Effective: ~~January 1, 2012~~ Cycle 1 June, 2018

Issued by
~~Pablo Vegas~~ Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

Pilot Throughput Balancing Adjustment Rider

Effective July 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Pilot Throughput Balancing Adjustment Rider charge per kWh as follows:

Ohio Power Rate Zone

Schedule	¢/KWH
RS, RS-ES, RS-TOD, RDMS, R-R, R-R-1, RLM, RS-TOD2, CPP, RTP	0.16448
GS-1	0.01931

Columbus Southern Power Rate Zone

Schedule	¢/KWH
RS, RS-ES, RS-TOD, RDMS, R-R, R-R-1, RLM, RS-TOD2, CPP, RTP	0.17283
GS-1, GS1-TOD	0.07564

Filed pursuant to Order dated ~~December 14, 2011~~ April 25, 2018 in Case Nos. ~~11-351-EL-AIR and 11-352-EL-AIR~~ 16-1852-EL-SSO

Issued: ~~March 1, 2017~~ May 4, 2018

Effective: ~~July 1, 2017~~ Cycle 1 June 2018

Issued by
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AEP Ohio

P.U.C.O. NO. 20
Deferred Asset Phase-In Rider

Effective August 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Deferred Asset Phase-In Rider charge of 7.81% of the customer's base distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission as set forth in the financing order in Case No. 12-1969-EL-ATS.

Filed pursuant to Order dated ~~March 20, 2013~~ April 25, 2018 in Case No. ~~12-1969-EL-ATA~~ 16-1852-EL-SSO

Issued: ~~August 1, 2017~~ May 4, 2018

Effective: ~~August 1, 2017~~ Cycle 1 June 2018

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Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

AUTOMAKER CREDIT RIDER

Availability

This rider is available to customers utilizing or expanding automaker facilities. For purposes of this rider, "automaker" shall refer to a company that manufactures automobiles.

Eligible customers must contact the Company to participate in this rider. Eligible customers that elect to participate will remain subject to this rider until providing the Company with notice of termination of participation.

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive an Energy Credit of \$0.01 per kWh for all monthly kWh consumption above the customer's monthly baseline consumption, subject to the Rider Annual Cap. Monthly charges for all kWh consumption at or below the customer's monthly baseline consumption shall be priced according to the customer's standard service rate schedule.

Baseline Consumption

A customer's monthly baseline consumption shall be equal to one-twelfth of the customer's calendar year 2009 annual usage.

Rider Annual Cap

Total credits under this rider for all customers combined shall not exceed \$500,000 in any calendar year. In the event that one or more monthly customer bills contain kWh consumption which would cause the total calendar year credits under this rider to exceed the Annual Cap, the Company will divide the remaining credits under the Annual Cap equally among eligible customer bills for that month.

Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

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AEP Ohio

P.U.C.O. NO. 20

GENERATION ENERGY RIDER

Effective June 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Energy charge as follows:

Schedule	Summer (Jun-Sep)	Winter (Oct-May)
	¢/KWH	¢/KWH
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	4.04800	4.04800
PIPP Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, , , , and RDMS	3.99500	3.99500
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	4.04800	4.04800
Demand Metered Secondary GS-2 GS-3 EHG	4.04800	4.04800
Demand Metered Primary GS-2 GS-3 GS-4	3.90700	3.90700
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	3.82900	3.82900
Lighting AL SL	4.04800	4.04800

Filed pursuant to Order dated ~~May 24, 2017~~ April 25, 2018 in Case No. ~~17-1160-EL-RDR~~ 16-1852-EL-SSO

Issued: ~~May 25, 2017~~ May 4, 2018

Issued by
 Julia Sloat, President
 AEP Ohio

Effective: ~~June 1, 2017~~ Cycle 1 June 2018

P.U.C.O. NO. 20

GENERATION CAPACITY RIDER

Effective June 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Columbus Southern Power Rate Zone

Rate		c/kWh or \$/Month
RR, RR-1		1.48400
RLM	<u>Winter Rate</u> First 750 KWH Next 150 KWH All Other KWH <u>Summer Rate</u> First 750 KWH Next 150 KWH All Other KWH	2.05850 1.11399 1.30282 2.05850 1.95546 1.82968
RS-ES, RS-TOD	On Peak KWH Off-Peak KWH	2.56811 0.88104
RS-TOD2	Low Cost Hours High Cost Hours	0.32669 14.87116
Schedule CPP	<u>Winter Rate</u> First 800 KWH Over 800 KWH Critical Peak Hours <u>Summer Rate</u> Low Cost Hours Medium Cost Hours High Cost Hours Critical Peak Hours	1.35437 0.00000 32.75087 0.32751 1.02687 2.09908 32.75087
RS-RTP	Per Month	18.05
GS-1, GS-1 TOD		1.37800
GS-2-TOD, GS-2 LMTOD	On-Peak Hours Off-Peak Hours	4.12434 0.01409
Demand Metered Secondary GS-2 GS-3		1.31700
Demand Metered Primary GS-2 GS-3		1.08400
Demand Metered Subtransmission/Transmission GS-4		0.50900

Seasonal Periods

The winter period shall be the billing months of October through May and the summer period shall be the billing months of June through September.

Filed pursuant to Order dated ~~May 24, 2017~~ April 25, 2018 in Case No. ~~17-1160-EL-RDR16-1852-EL-SSO~~

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 Julia Sloat, President
 AEP Ohio

P.U.C.O. NO. 20

GENERATION CAPACITY RIDER

Effective June 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Ohio Power Rate Zone

Rate		c/kWh or \$/Month
RS		1.48400
RDMS	KWH > 400 times billing demand	1.70449
	First 500 on-peak KWH	2.12968
	All Over 500 on-peak KWH	1.58601
	All additional KWH	0.48281
RS-ES, RS-TOD	On Peak KWH Off-Peak KWH	3.07310 0.84659
GS-1, EHS, SS, GS-2 Recreational Lighting		1.37800
GS-1 ES	On-Peak Hours Off-Peak Hours	2.81870 0.61531
GS-TOD, GS-2-ES	On-Peak Hours Off-Peak Hours	2.25775 0.77771
Demand Metered Secondary GS-2 GS-3 EHG		1.31700
Demand Metered Primary GS-2 GS-3 GS-4		1.08400
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4		0.50900

Filed pursuant to Order dated ~~May 24, 2017~~ April 25, 2018 in Case No. ~~17-1160-EL-RDR16-1852-EL-SSO~~

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 Julia Sloat, President
 AEP Ohio

P.U.C.O. NO. 20

AUCTION COST RECONCILIATION RIDER

Effective Cycle 1 ~~April~~ June 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Auction Cost Reconciliation Rider charge of ~~0.112780-11298~~ 0.112780-11298¢/KWH. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, *et al.*

Filed pursuant to Order dated ~~February 25, 2015~~ April 25, 2018 in Case No. ~~13-2385-EL-SSO~~ 16-1852-EL-SSO

Issued: ~~May~~ March 41, 2018

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Julia Sloat, President
AEP Ohio

Effective: Cycle 1 ~~April~~ June 2018

P.U.C.O. NO. 20

COMPETITION INCENTIVE RIDER

Effective June 1, 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Competition Incentive Rider charge of \$0.0 per kWh.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June , 2018

P.U.C.O. NO. 20

SSO CREDIT RIDER

Effective June 1, 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the SSO Credit Rider credit as follows:

<u>Schedule</u>	<u>¢/kWh</u>
<u>Residential</u> <u>RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP,</u> <u>and RDMS</u>	<u>(0.0)</u>
<u>Non Demand Metered</u> <u>GS-1, GS-1 TOD</u> <u>GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES</u> <u>GS-3-ES</u> <u>EHS</u> <u>SS</u>	<u>(0.0)</u>
<u>Demand Metered Secondary</u> <u>GS-2</u> <u>GS-3</u> <u>EHG</u>	<u>(0.0)</u>
<u>Demand Metered Primary</u> <u>GS-2</u> <u>GS-3</u> <u>GS-4</u>	<u>(0.0)</u>
<u>Demand Metered Subtransmission/Transmission</u> <u>GS-2</u> <u>GS-3</u> <u>GS-4</u>	<u>(0.0)</u>
<u>Lighting</u> <u>AL</u> <u>SL</u>	<u>0.00000</u>

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

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Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

POWER PURCHASE AGREEMENT RIDER

Effective Cycle 1 April 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Power Purchase Agreement charge as follows:

Schedule	¢/kWh
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	0.09773
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	0.05929
Demand Metered Secondary GS-2 GS-3 EHG	0.06003
Demand Metered Primary GS-2 GS-3 GS-4	0.04979
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	0.03835
Lighting AL SL	0.00000

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al. and the March 31, 2016 Opinion and Order in Case No. 14-1693-EL-RDR.

Filed pursuant to Orders dated ~~April 4, 2018~~ April 25, 2018 in Case No. ~~14-1693-EL-RDR~~ 16-1852-EL-SSO

Issued: ~~April 5, 2018~~ May 4, 2018

Effective: ~~April 5, 2018~~ Cycle 1 June 2018

Issued by
 Julia Sloat, President
 AEP Ohio

P.U.C.O. NO. 20

BASIC TRANSMISSION COST RIDER

Effective Cycle 1 April 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Basic Transmission Cost charge per kW and/or kWh as follows:

Schedule	¢/kWh	\$/kW
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	2.37790	
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	1.72373	
Demand Metered Secondary GS-2 GS-3	0.05135	5.74
Demand Metered Primary GS-2 GS-3 GS-4	0.04956	6.02
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	0.04857	5.49
Lighting AL SL	0.05135	
Interim Pilot 1CP Secondary	0.05135	7.92
Interim Pilot 1CP Primary	0.04956	7.65
Interim Pilot 1CP Subtransmission/Transmission	0.04857	7.49

The Interim Pilot 1CP Demand rates for the Basic Transmission Cost Rider are limited to availability as established in Case No. 10-2929-EL-UNC et al. The monthly \$/kW for the Interim Pilot 1CP Basic Transmission rate will be based on the participating customer's demand during the single zonal transmission peak. The 1CP will be changed each January based on the customer's contribution to the single zonal transmission peak during the previous year.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the flow through impact to this Rider of changes to the Open Access Transmission Tariff approved by the Federal Energy Regulatory Commission (including changes related to the Tax Cuts and Jobs Act of 2017) or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated ~~March 28, 2018~~ April 25, 2018 in Case No. 16-1852-EL-SSO ~~18-0096-EL-RDR~~.

Issued: ~~March 28, 2018~~ May 4, 2018

Effective: Cycle 1 ~~April~~ June 2018

Issued by
 Julia Sloat, President
 AEP Ohio

P.U.C.O. NO. 20

PILOT DEMAND RESPONSE RIDER

Pursuant to Commission order, this is merely a placeholder rider and no cost allocation or recovery shall occur at this time.

Filed pursuant to Order dated ~~February 25, 2015~~ April 25, 2018 in Case No. ~~16-1852-EL-SSO~~ 13-2385-EL-SSO

Issued: ~~April 24, 2015~~ May 4, 2018

Effective: ~~June 1, 2015~~ Cycle 1 June 2018

Issued by

~~Julia Sloat~~ Pablo Vegas, President
AEP Ohio

P.U.C.O. NO. 20

ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION COST RECOVERY RIDER

Effective Cycle 1 ~~June~~~~September~~ 201~~8~~~~7~~, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Energy Efficiency and Peak Demand Reduction Cost Recovery charge as follows:

Class	\$/bill	\$/kWh	\$/kW	% of base distribution
Residential		0.00340530.0 032966		
General Service Non Demand Metered	4.14	-0.0009418- 0.0010504		
General Service Demand Metered		-0.0009418- 0.0010504	0.9 04	
Lighting		0.00032170.0 002131		6.64819%

If approved by the Commission, mercantile customers that have committed their demand response or other customer-sited capabilities, whether existing or new, for integration into the Company's demand response, energy efficiency or peak demand reduction programs, may be exempted from this Rider.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the January 18, 2017 Opinion and Order in Case No. 16-574-EL-POR.

Filed pursuant to Order dated ~~March-April~~ 2~~5~~~~8~~, 2018 in Case No. ~~16-1852-EL-SSO18-440-EL-ATA~~

Issued: ~~April 12, 2018~~ May 4, 2018

Issued by
 Julia Sloat, President
 AEP Ohio

Effective: ~~April 12~~ Cycle 1 ~~June~~, 2018

P.U.C.O. NO. 20

ECONOMIC DEVELOPMENT COST RECOVERY RIDER

Effective Cycle 1 ~~June~~^{April} 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Economic Development Cost Recovery charge of ~~4.126372.91116~~% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated ~~March~~^{April} 2~~58~~⁵⁸, 2018 in Case No. ~~48-491-EL-RDR~~^{16-1852-EL-SSO}

Issued: ~~March 28~~^{May 4}, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 ~~June~~^{April} 2018

P.U.C.O. NO. 20

ENHANCED SERVICE RELIABILITY RIDER

Effective Cycle 1 July 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Enhanced Service Reliability charge of 7.34119% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated March 28, 2018 in Case No. 18-441-EL-ATA

Issued: ~~April 12, 2018~~ May 4, 2018

Effective: ~~April 12, 2018~~ Cycle 1 June 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

gridSMART PHASE 2 RIDER

Effective with the first billing cycle of March 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly gridSMART Phase 2 charge. This rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 1, 2017 Opinion and Order in Case No. 13-1939-EL-RDR.

Residential Customers	(\$0.35)
Non-Residential	\$0.16

Filed pursuant to Order dated ~~February 1, 2017~~ April 25, 2018 in Case No. ~~13-2385-EL-SSO~~ 16-1852-EL-SSO

Issued: ~~February 23, 2018~~ May 4, 2018

Effective: Cycle 1 ~~June~~ March 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

Retail Stability Rider

Effective Cycle 1 March 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Retail Stability Rider charge per KWH, as follows:

Schedule	¢/KWH	
RS, RS-ES, RS-TOD and RDMS	0.15421	
R-R, R-R-1, RLM, RS-ES, RS-TOD, RS-TOD2, CPP and RTP	0.15421	
GS-1, GS-1 TOD, FL	0.56300	
GS-2, GS-2-TOD and GS-TOD, GS-3, GS-4, EHG, EHS, SS, SBS	First 833,000 kWh	0.72504
	kWh in Excess of 833,000	0.08000
SL	0.00000	
AL	0.00000	

Filed pursuant to Order dated ~~February 23, 2017~~ April 25, 2018 in Case No. ~~10-2929-EL-UNC et al.~~ 16-1852-EL-SSO

Issued: ~~February 27, 2017~~ May 4, 2018

Effective: Cycle 1 ~~March 2017~~ June 2018

Issued by
 Julia Sloat, President
 AEP Ohio

P.U.C.O. NO. 20

RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER

Availability of Service

Available to customers taking electric service under the Company's standard service or open access distribution schedules that install a solar photovoltaic or wind energy system after July 1, 2011 and before June 30, 2013. Such systems must be located in the Company's service territory and have been certified as an Ohio Renewable Energy Resource Generating Facility by the Public Utilities Commission of Ohio.

This Rider shall remain in effect until June 30, 2013, while agreements entered into under the program will extend beyond the effective period of the Rider.

Definitions

"Solar Photovoltaic" means energy from devices which generate electricity directly from sunlight through the movement of electrons.

"Wind Energy" means electricity generated from wind turbines, windmills, or other technology that converts wind into electricity.

"Renewable Energy Certificate" ("REC") means a tradable unit that represents the commodity formed by unbundling the environmental attributes of a unit of renewable energy from the underlying electricity. One REC would be equivalent to the environmental attributes of one MWH of electricity from a renewable or environmentally friendly generation source.

REC Purchase and Incentives

Customers taking service under this rider shall enter into a Renewable Energy Technology Program Agreement with the Company which contains all terms and conditions related to the Company's purchase of RECs and payment of an incentive. Copies of the Company's Renewable Energy Technology Program Agreement are available upon request or on the Company's website.

Pursuant to the Renewable Energy Technology Program Agreement, the Company will provide an incentive, as defined below, to qualifying customers provided that all requirements are met and funds are available within the annual funding caps.

System Type	Customer Type	Incentive Amount	Minimum System Size	Maximum Incentive As a % of System Cost	Maximum Incentive per Customer	Annual Funding Cap
Solar Photovoltaic	Residential	\$1.50/watt	2 kW (dc)	50%	\$12,000	\$400,000
	Non-Residential	\$1.50/watt	10 kW (dc)	50%	\$75,000	\$600,000
Wind	Residential	\$0.275/kWh	3,000 kWh/year (ac)	50%	\$7,500	\$187,500
	Non-Residential	\$0.275/kWh	3,000 kWh/year (ac)	40%	\$12,000	\$62,500

Filed pursuant to Orders dated December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR and 11-352-EL-AIR

Issued: December 22, 2011

Effective: January 1, 2012

Issued by
Pablo Vegas, President
AEP Ohio

P.U.C.O. NO. 20

RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER

Conditions of Service

- ~~1. To receive the incentive amounts as specified above, the customer agrees to assign all of the RECs produced by the solar photovoltaic or wind energy system to the Company for 15 years from the date the facility is installed.~~
- ~~2. The Company's total funding for the Rider through June 30, 2013 is \$2.5 million with Annual Funding Caps as specified above.~~
- ~~3. For each System Type and Customer Type, any funds not awarded through June 30, 2012 will carry over and be available through June 30, 2013. Any funds not awarded by June 30, 2013 will not carry over beyond June 30, 2013. Any incentives must be awarded by June 30, 2013.~~
- ~~4. Applications will be processed and incentives will be awarded on a first-come, first-served basis, until the Company's funding is expended.~~
- ~~5. Only systems installed after July 1, 2011 are eligible to participate in this program.~~
- ~~6. Systems must be installed within six months after approval of the application or by June 30, 2013 if the application is made after December 31, 2012.~~
- ~~7. Unless stated otherwise in this Rider, all requirements of the respective NOFA #08-09 Renewable Energy Programs of the Ohio Department of Development—Ohio Energy Office will be enforced.~~
- ~~8. A utility grade meter capable of measuring kWh produced from the system must be installed for systems greater than 6 kW. Those systems 6 kW or below must meet PUCO approved means for measuring kWh production.~~
- ~~9. The customer must qualify for and take service under the Company's Schedule NEMS (Net Energy Metering Service).~~
- ~~10. The customer's system must be designed and installed to operate in parallel with the Company's system, through an interconnection agreement with the Company.~~
- ~~11. The system must be located on the same site where the customer's own electricity demand is located.~~
- ~~12. The customer must be the owner of the RECs.~~
- ~~13. The customer must secure PUCO certification as an Ohio Renewable Energy Resource Generating Facility for the system.~~
- ~~14. The customer will receive the incentive payment after the total system is installed and is in operation for 30 consecutive days.~~

Filed pursuant to Orders dated December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR and 11-352-EL-AIR

Issued: December 22, 2011

Effective: January 1, 2012

Issued by
Pablo Vegas, President
AEP Ohio

P.U.C.O. NO. 20

RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER

15. The customer is responsible for providing monthly generator output readings to the Company and must complete an Annual Affidavit of Performance. The Company may also secure random readings for validation purposes.

16. If the system becomes inoperable for 90 days or if ownership of the property changes, the customer must refund to the Company a pro-rata amount of the incentive based upon the remaining term of the agreement.

This Rider will not modify the customer's bill for electric service under the applicable standard service schedule.

Special Terms and Conditions

This Rider is subject to the Company's Terms and Conditions of Service and all provisions of the standard service schedule under which the customer takes service.

Filed pursuant to Orders dated December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR and 11-352-EL-AIR

Issued: December 22, 2011

Effective: January 1, 2012

Issued by
Pablo Vegas, President
AEP Ohio

P.U.C.O. NO. 20

DISTRIBUTION INVESTMENT RIDER

Effective Cycle 1 March 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Distribution Investment Rider charge of 32.29875% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, *et al.*

Filed pursuant to order dated ~~November 13, 2013~~ April 25, 2018 in Case No. ~~12-2627-EL-RDR~~ 16-1852-EL-SSO

Issued: ~~February 15, 2018~~ May 4, 2018

2018 Issued By
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 ~~March-June~~
2018

P.U.C.O. NO. 20

STORM DAMAGE RECOVERY RIDER

Effective Cycle 1 June 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Storm Damage Recovery Rider credit. This Rider shall expire with the last billing cycle of June 2017.

Residential Customers	\$(0.70)/month
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Non-Residential Customers	\$(2.92)/month
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Filed pursuant to Order dated ~~April 25, 2018~~ ~~May 17, 2017~~ in Case No. ~~16-1852-EL-SSO~~ ~~16-821-EL-RDR~~

Issued: ~~May 4, 2018~~ ~~May 22, 2017~~

Effective: Cycle 1 June ~~2018~~ ~~2017~~

Issued by
Julia Sloat, President
AEP Ohio

OHIO POWER COMPANY

Original Sheet No. 491-1

P.U.C.O. NO. 20

RENEWABLE GENERATION RIDER

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Renewable Generation Rider of \$0.00.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June, 2018

P.U.C.O. NO. 20

ALTERNATIVE ENERGY RIDER

Ohio Power Rate Zone

Effective Cycle 1 April 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Alternative Energy Rider charge per kWh as follows:

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.27545
Primary	0.26588
Subtransmission/Transmission	0.26056

Columbus Southern Power Rate Zone

Effective Cycle 1 April 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Alternative Energy Rider charge per kWh as follows:

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.27545
Primary	0.26588
Subtransmission/Transmission	0.26056

This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated ~~February-April~~ 25, ~~2015-2018~~ in Case No. ~~13-2385~~~~16-1852~~-EL-SSO

Issued: ~~March 4~~May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 ~~April-June~~ 2018

OHIO POWER COMPANY

Original Sheet No. 493-1

P.U.C.O. NO. 20

POWER FORWARD RIDER

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Power Forward of \$0.00.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June, 2018

P.U.C.O. NO. 20

PHASE-IN RECOVERY RIDER

Effective Cycle 1 March 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Phase-In Recovery Rider charge per kWh as follows:

Ohio Power Rate Zone

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.55510
Primary	0.52890
Subtransmission/Transmission	0.51440

Columbus Southern Power Rate Zone

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.00000
Primary	0.00000
Subtransmission/Transmission	0.00000

This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to Order dated ~~February 23, 2017~~ April 25, 2018 in Case No. 16-1852-EL-SSO10-2929-EL-UNC et al.

Issued: March 4, 2018 ~~February 27, 2017~~

Effective: Cycle 1 March 2017 ~~June 2018~~

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20SMART CITY RIDER

Effective Cycle 1 June, 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Smart City Rider charge. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the April 25, 2018 Opinion and Order in Case No. 16-1852-EL-SSO.

<u>Residential Customers</u>	<u>\$0/month</u>
<u>Non-Residential Customers</u>	<u>\$0/month</u>

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June , 2018

P.U.C.O. NO. 20

RIDER IRP-D EXPANDED SERVICE
(Interruptible Power – Discretionary)

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Availability of Service

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Service pursuant to this rider is available to customers that have provided reasonable evidence to the Company that their electric service can be interrupted in accordance with this rider and is limited to the inclusion of agreed upon customers and load limitations established in Case No. 16-1852-EL-SSO. Customers participating in this rider shall enter into a contract with the Company, and as part of that contract shall designate the customer's firm service level and its interruptible demand of not less than 1,000 kW of interruptible capacity.

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The total interruptible power contract capacity for all customers served under this rider will be limited to 280,000 kW of which 160,000 kW of load shall be from existing customers and 120,000 kW of load shall be from customers new to the service area as ordered in Case No. 16-1852-EL-SSO. Once 160,000 kW have been enrolled, new participants or load expansions of existing customers will not be admitted into the program.

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In the event of a local emergency or if the Company receives an interruption notice originating from PJM, the Company will issue an interruption notification. Each customer participating in this rider is responsible for providing and maintaining current contact information with the Company. All costs associated with providing the initial, required Customer Communications System will be borne by the customer.

Enrollment, Registration and Participation in PJM Demand Response Programs

Participation in this rider does not preclude the customer from also participating in other PJM demand response programs through a Curtailment Service Provider. Customers are permitted to retain any compensation received by PJM for their participation in those programs. Except for the first year of the IRP Expanded Service, enrollment in the IRP Expanded Service program shall be for a PJM Delivery Year at a time. Customers have an option to opt-out of their participation for any future PJM year upon timely notification. An IRP Expanded Service customer who opts-out of the program may opt-in for a future PJM year. Opt-out notification for the upcoming PJM calendar year must be provided to the Company on or before April 1st. If a customer does not opt-out by the April 1st date, they are deemed participating for the following PJM Delivery Year (June 1 through May 31).

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Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of an upcoming emergency interruption, but a customer will not be required to interrupt on less than 30 minutes notice. Such notice shall specify the starting and ending hour of the interruption if known. The Company may notify the customer of interruptions of their service due to actions of PJM.

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Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June , 2018

P.U.C.O. NO. 20RIDER IRP-D EXPANDED SERVICE
(Interruptible Power – Discretionary)

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Failure to Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for an emergency interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each emergency interruption and the firm service level contracted for by the customer in its agreement with the Company. The rate discount will be the Demand Credit as specified in this rider.
2. If the customer materially fails two or more times during any 12-month period to interrupt load during an emergency interruption as requested by the Company, the Company further reserves the right to discontinue service to the customer under this rider.

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0.59"Term of Contract

Contracts under this rider shall be made for a period of not less than one (1) PJM delivery year (June 1 through May 31) with notice to participate due by April 1st each year.

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Monthly Rate

In addition to the monthly charges for service under the applicable rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

The Demand Credit shall be determined by multiplying the customer's monthly interruptible demand times the PJM Base Residual Auction market rate for the AEP Zone times 0.7. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the applicable rate schedule under which the customer receives service and the customer's designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible demand specified in its contract.

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Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

In delivery years when there are no emergency or pre-emergency events, the customer agrees to provide the Company the results of any interruption tests performed in accordance with the PJM tariff as evidence of the customer's ability to interrupt. If the customer does not participate in PJM in a delivery year, the Company shall verify the customer's ability to interrupt through a comparable test. Failure to provide this testing information or failure to adequately perform during such a test shall be considered a failure to interrupt under this rider.

Participation in this rider will discontinue once the cost threshold established in Case No. 16-1852-EL-SSO is reached. The Company will calculate the values provided under the tariff and attempt to provide as much notice as possible to participating customers before the rider discontinues.

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Issued: May 4, 2018—

Effective: Cycle 1 June 2018

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Julia Sloat, President
AEP Ohio

SCHEDULE
 CROSS REFERENCE
Ohio Power Rate Zone

Generation, Transmission, Distribution Service		Sheet No.	Distribution Service Only		Sheet No.
<u>RESIDENTIAL SERVICE</u>			<u>RESIDENTIAL SERVICE</u>		
Regular	RS	210-1- 210-3	All Residential	OAD-RS	210-1D- 210-4D
Energy Storage	RS-ES	211-1- 211-3			
Time-of-Day	RS-TOD	212-1- 212-2			
Demand Metered	RDMS	213-1- 213-3			
<u>Demand Metered</u>	<u>RSDM</u>	<u>214-1 - 214-2</u>	<u>Demand Metered</u>	<u>RSDM</u>	<u>214-1D - 214-2D</u>
<u>GENERAL SERVICE</u>			<u>GENERAL SERVICE</u>		
Non-Demand Metered	GS-1	220-1- 220-3	Non-Demand Metered	OAD-GS-1	220-1D- 220-3D
Low Load Factor	GS-2	221-1- 221-6	Low Load Factor	OAD-GS-2	221-1D- 221-5D
Time-of-Day	GS-TOD	222-1- 222-2			
Medium/High Load Fact	GS-3	223-1- 223-5	Medium/High Load Factor	OAD-GS-3	223-1D- 223-4D
Large	GS-4	224-1- 224-4	Large	OAD-GS-4	224-1D- 224-4D
Cogeneration	COGEN/SPP	226-1- 226-3			
Standby Service	SBS	227-1- 227-2	Standby Service	OAD-SBS	227-1D- 227-2D
Area Lighting	AL	240-1- 240-4	Area Lighting	OAD-AL	240-1D- 240-4D
Street Lighting	SL	241-1- 241-6	Street Lighting	OAD-SL	241-1D- 241-6D
Electric Heating General	EHG	242-1- 242-2	Electric Heating General	OAD-EHG	242-1D- 242-3D
Electric Heating Schools	EHS	243-1- 243-2	Electric Heating Schools	OAD-EHS	243-1D- 243-3D
School Service	SS	244-1- 244-2	School Service	OAD SS	244-1D- 244-2D

 Filed pursuant to Order dated ~~February 23, 2017~~ April 25, 2018 in Case No. ~~10-2929-EL-UNC et al~~ 16-1852-EL-SSO.

 Issued: ~~March 29, 2018~~ May 4, 2018

 Effective: Cycle 1 ~~April~~ June 2018

 Issued by
 Julia Sloat, President
 AEP Ohio

SCHEDULE
 CROSS REFERENCE
Columbus Southern Power Rate Zone

Generation, Transmission, Distribution Service	Sheet No.	Distribution Service Only	Sheet No.
<u>RESIDENTIAL SERVICE</u>		<u>RESIDENTIAL SERVICE</u>	
Regular R-R	310-1- 310-4	Regular OAD-RR	310-1D- 310-4D
Small Use Load Management R-R-1	311-1- 311-4	Small Use Load Management OAD-RR1	311-1D- 311-5D
Optional Demand RLM	312-1- 312-4		
Energy Storage RS-ES	313-1- 313-3		
Time-of-Day RS-TOD	314-1- 314-2		
Experimental Residential Time-of-Day RS-TOD2	315-1- 315-2		
Experimental Direct Load Control DLC	316-1- 316-2		
Experimental Critical Peak Pricing Service CPP	317-1- 317-3		
Experimental Residential Real-Time Service RTP	318-1- 318-3		
<u>GENERAL SERVICE</u>		<u>GENERAL SERVICE</u>	
Small GS-1	320-1- 320-4	Small OAD-GS-1	320-1D- 320-3D
Low Load Factor GS-2	321-1- 321-5	Low Load Factor OAD-GS-2	321-1D- 321-4D
Time-of-Day GS-2	322-1- 322-2		
Medium Load Factor GS-3	323-1- 323-4	Medium Load Factor OAD-GS-3	323-1D- 323-4D
Large GS-4	324-1- 324-3	Large OAD-GS-4	324-1D- 324-3D
Cogeneration COGEN/SPP	326-1- 326-4		
Standby Service SBS	327-1- 327-2	Standby Service OAD-SBS	327-1D- 327-2D
Street Lighting SL	340-1- 340-4	Street Lighting OAD-SL	340-1D- 340-3D
Private Area Lighting AL	341-1- 341-4	Private Area Lighting OAD-AL	341-1D- 341-4D
<u>SUPPLEMENTS</u>		<u>SUPPLEMENTS</u>	
Church and School Service Supplement No. 18	352-1		

 Filed pursuant to Order dated ~~February 23, 2017~~ April 25, 2018 in Case No. ~~10-2929-EL-UNC et al~~ 16-1852-EL-SSO.

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 Issued by
 Julia Sloat, President
 AEP Ohio

SCHEDULE
CROSS REFERENCE

Ohio Power and Columbus Southern Power Rate Zones

Generation, Transmission, Distribution Service	Sheet No.	Distribution Service Only	Sheet No.
GENERAL SERVICE		GENERAL SERVICE	
Interruptible Power Rider – Legacy Discretionary Rider	427-1- 427-3	Interruptible Power Rider – Legacy Discretionary Rider	427-1D- 427-3D
Net Energy Metering Service NEMS	428-1- 428-2	Net Energy Metering Service OAD-NEMS	428-1D– 428-2D
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Storm Damage Recovery Rider	490-1	Storm Damage Recovery Rider	490-1D
Renewable Generation Rider	491-1	Renewable Generation Rider	491-1D

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SCHEDULE
CROSS REFERENCE

Alternative Energy Rider	492-1		
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Phase-In Recovery Rider	494-1	Phase-In Recovery Rider	494-1D
Smart City Rider	495-1	Smart City Rider	495-1D
Interruptible Power Rider – Expanded Service Discretionary Rider	496-1	Interruptible Power Rider – Expanded Service Discretionary Rider	496-1D

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	List of Communities Served	102-1D thru 102-9D	January 1, 2012
	Terms and Conditions of Service	103-1D thru 103-72D	April 19, 2017 <u>Cycle 1 June 2018</u>
	Applicable Riders	104-1D	Cycle 1 April 2018 <u>Cycle 1 June 2018</u>
	Ohio Power Rate Zone		
OAD-RS	Residential Service	210-1D thru 210-4D	June 1, 2015
<u>OAD-RSDM</u>	<u>Residential Service – Demand Metered</u>	<u>214-1D thru 214-2D</u>	<u>Cycle 1 June 2018</u>
OAD-GS-1	General Service – Non-Demand Metered	220-1D thru 220-3D	June 1, 2015
OAD-GS-2	General Service – Low Load Factor	221-1D thru 221-5D	June 1, 2015
OAD-GS-3	General Service – Medium/High Load Factor	223-1D thru 223-4D	June 1, 2015
OAD-GS-4	General Service – Large	224-1D thru 224-4D	June 1, 2015
OAD-SBS	Standby Service	227-1D thru 227-2D	June 1, 2015
OAD-AL	Area Lighting	240-1D thru 240-4D	January 1, 2012
OAD-SL	Street Lighting	241-1D thru 241-6D	January 1, 2012
OAD-EHG	Electric Heating General	242-1D thru 242-3D	June 1, 2015
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OAD-SS	School Service	244-1D thru 244-2D	June 1, 2015
	Columbus Southern Power Rate Zone		
OAD-R-R	Residential Service	310-1D thru 310-4D	June 1, 2015
OAD-RR1	Residential Small Use Load Management Service	311-1D thru 311-5D	June 1, 2015
<u>OAD-RSDM</u>	<u>Residential Service – Demand Metered</u>	<u>319-1D thru 319-2D</u>	<u>Cycle 1, June 2018</u>
OAD-GS-1	General Service – Small	320-1D thru 320-3D	June 1, 2015
OAD-GS-2	General Service – Low Load Factor	321-1D thru 321-4D	June 1, 2015
OAD-GS-3	General Service – Medium Load Factor	323-1D thru 323-4D	June 1, 2015
OAD-GS-4	General Service – Large	324-1D thru 324-3D	June 1, 2015
OAD-SBS	Standby Service	327-1D thru 327-2D	June 1, 2015
OAD-SL	Street Lighting	340-1D thru 340-4D	January 1, 2012
OAD-AL	Private Area Lighting	341-1D thru 341-4D	January 1, 2012
	Ohio Power & Columbus Southern Power Rate Zones		

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OHIO POWER COMPANY

~~58~~59th Revised Sheet No. 101-
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PEV	Pilot Plug-In Electric Vehicles	430-1D	Cycle 1 June 2018
OAD-PA	Pole Attachment	443-1D thru 443-3D	April 12, 2017
OAD-Supp. No. 21	Public Authority – Delayed Payment	453-1D	January 1, 2012

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OHIO POWER COMPANY

58th Revised Sheet No. 101-5D
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	Bad Debt Rider	461-1D	<u>Cycle 1 June 1, 2018</u>
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	Residential Distribution Credit Rider	463-1D	<u>January 1, 2012</u> <u>Cycle 1 June 2018</u>
	Pilot Throughput Balancing Adjustment Rider	464-1D	<u>Cycle 1 June</u> <u>2018 July 1, 2017</u>
	Deferred Asset Phase-In Rider	465-1D	<u>Cycle 1 June</u> <u>2018 August 1,</u>
	<u>Automaker Credit Rider</u>	<u>466-1D</u>	<u>Cycle 1 June 2018</u>
	Electronic Transfer Rider	470-1D	January 1, 2012
	<u>SSO Credit Rider</u>	<u>472-1D</u>	<u>Cycle 1 June 2018</u>
	Power Purchase Agreement Rider	473-1D	<u>Cycle 1 June</u>
	Basic Transmission Cost Rider	474-1D	Cycle 1 <u>June April</u> 2018
	Pilot Demand Response Rider	480-1D	<u>Cycle 1 June</u> <u>2018 June 1, 2015</u>
	Energy Efficiency and Peak Demand Reduction Cost Recovery Rider	481-1D	<u>Cycle 1 June</u> <u>2018 April 12, 2018</u>
	Economic Development Cost Recovery Rider	482-1D	<u>Cycle 1 June</u> <u>2018 Cycle 1 April</u>
	Enhanced Service Reliability Rider	483-1D	<u>Cycle 1 June</u> <u>2018 April 12, 2018</u>
	gridSMART Phase 2 Rider	485-1D	<u>Cycle 1 June</u> <u>2018 Cycle 4</u> <u>March</u>
	Retail Stability Rider	487-1D	Cycle 1 <u>March June</u> 2018 <u>7</u>
	<u>Renewable Energy Technology Program Rider</u>	<u>488-1D thru 488-3D</u>	<u>January 1, 2012</u>
	Distribution Investment Rider	489-1D	Cycle 1 <u>March June</u> 2018
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OHIO POWER COMPANY

58th Revised Sheet No. 101-6D
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	<u>Smart City Rider</u>	<u>495-1D</u>	<u>Cycle 1 June 2018</u>
<u>IRP-E</u>	<u>Interruptible Power Rider – Expanded Service</u> <u>Discretionary Rider</u>	<u>496-1D thru 496-2D</u>	<u>Cycle 1 June 2018</u>

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Applicable Riders

	Ohio Power Rate Zone		Columbus Southern Power Rate Zone		
Rider Description	Standard Service	Open Access Distribution Service	Standard Service	Open Access Distribution Service	Sheet No.
Interruptible Power Rider – Legacy Discretionary Rider	Yes	Yes	Yes	Yes	459-1D 427-1D
Pilot Plug-In Electric Vehicles	Yes	Yes	Yes	Yes	430-1D
County Fair Transmission Supplement	Yes	Yes	Yes	Yes	454-1D
Universal Service Fund Rider	Yes	Yes	Yes	Yes	460-1D
Bad Debt Rider	Yes	Yes	Yes	Yes	461-1D
KWH Tax Rider	Yes	Yes	Yes	Yes	462-1D
Residential Distribution Credit Rider	Yes	Yes	Yes	Yes	463-1D
Pilot Throughput Balancing Adjustment Rider	Yes	Yes	Yes	Yes	464-1D
Deferred Asset Phase-In Rider	Yes	Yes	Yes	Yes	465-1D
Automaker Credit Rider	Yes	Yes	Yes	Yes	466-1D
Generation Energy Rider	Yes		Yes		
Generation Capacity Rider	Yes		Yes		
Auction Cost Reconciliation Rider	Yes		Yes		
Electronic Transfer Rider	Yes	Yes	Yes	Yes	470-1D
Competition Incentive Rider	Yes		Yes		
SSO Credit Rider	Yes	Yes	Yes	Yes	472-1D
Power Purchase Agreement Rider	Yes	Yes	Yes	Yes	473-1D
Basic Transmission Cost Rider	Yes	Yes	Yes	Yes	474-1D
Transmission Under-Recovery Rider	Yes	Yes	Yes	Yes	476-1D
Pilot Demand Response Rider	Yes	Yes	Yes	Yes	480-1D
Energy Efficiency and Peak Demand Reduction Cost Recovery Rider	Yes	Yes	Yes	Yes	481-1D
Economic Development Cost Recovery Rider	Yes	Yes	Yes	Yes	482-1D
Enhanced Service Reliability Rider	Yes	Yes	Yes	Yes	483-1D
gridSMART® Phase 2 Rider	Yes	Yes	Yes	Yes	485-1D
Renewable Energy Technology Program Rider	Yes	Yes	Yes	Yes	488-1D
Distribution Investment Rider	Yes	Yes	Yes	Yes	489-1D
Storm Damage Recovery Rider	Yes	Yes	Yes	Yes	490-1D

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Applicable Riders

<u>Renewable Generation Rider</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>491-1D</u>
Alternative Energy Rider	Yes		Yes		
<u>Power Forward Rider</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>493-1D</u>
Phase-In Recovery Rider	Yes	Yes	Yes	Yes	494-1D
<u>Smart City Rider</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>495-1D</u>
<u>Interruptible Power Rider – Expanded Service Discretionary Rider</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>496-1D</u>

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OHIO POWER COMPANY
Ohio Power Rate Zone

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OAD - SCHEDULE RS D
(Open Access Distribution - Residential Service – Demand-Metered)

Availability of Service

Available for residential service through one meter to individual residential customers.

Monthly Rate (Schedule Codes 010)

	<u>Distribution</u>
<u>Customer Charge (\$)</u>	<u>8.40</u>
<u>Monthly Demand Charge (\$ per KW)</u>	<u>3.17</u>

Monthly Billing Demand

Energy supplied hereunder will be delivered through not more than 1 single-phase or 1 poly-phase meter. Billing demand in KW shall be taken each month as the single highest 30-minute integrated peak in KW as registered during the month by a 30-minute integrating demand meter or indicator.

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge and all applicable riders.

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P.U.C.O. NO. 20

OAD - SCHEDULE RS D
(Open Access Distribution - Residential Service – Demand-Metered)

Payment

Bills are due and payable in full by mail, checkless payment plan, electronic payment plan or at an authorized payment agent of the Company within 15 days after the mailing of the bill.

Applicable Riders

Monthly Charges computed under this schedule shall be adjusted in accordance with the Commission-approved riders on Sheet Number 104-1.

Term of Contract

A written agreement may, at the Company's option, be required.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

This schedule is available to customers engaged in agricultural enterprises where service is taken through 1 meter for that customer's primary residence, and not more than 100 KW of connected electrical load is outside the residence. This schedule is not extended to operations of a commercial nature or operations such as processing, preparing, or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

This schedule is intended for single-phase service. Where the residential customer requests 3-phase service, this schedule will apply if the customer pays to the Company the difference between constructing single-phase and 3-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service schedule will apply to such service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP, Schedule NEMS, or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under the applicable Residential Schedule or Schedule NEMS. At its discretion, the Company may require that Company-owned metering be installed to monitor the customer's generation. The Company reserves the right to inspect the customer's relays and protective equipment at all reasonable times.

Filed pursuant to Order dated April 25, 2018, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

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OHIO POWER COMPANY
Columbus Southern Power Rate Zone

Original Sheet No. 319-1D

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P.U.C.O. NO. 20

OAD -SCHEDULE RS D
(Open Access Distribution -Residential Service – Demand-Metered)

Availability of Service

Available for residential service through one meter to individual residential customers.

Monthly Rate (Schedule Codes 010)

	<u>Distribution</u>
<u>Customer Charge (\$)</u>	<u>8.40</u>
<u>Monthly Demand Charge (\$ per KW)</u>	<u>3.17</u>

Monthly Billing Demand

Energy supplied hereunder will be delivered through not more than 1 single-phase or 1 poly-phase meter. Billing demand in KW shall be taken each month as the single highest 30-minute integrated peak in KW as registered during the month by a 30-minute integrating demand meter or indicator.

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge and all applicable riders.

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OHIO POWER COMPANY
Columbus Southern Power Rate Zone

Original Sheet No. 319-2D

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OAD -SCHEDULE RS D
(Open Access Distribution - Residential Service – Demand-Metered)

Payment

Bills are due and payable in full by mail, checkless payment plan, electronic payment plan or at an authorized payment agent of the Company within 15 days after the mailing of the bill.

Applicable Riders

Monthly Charges computed under this schedule shall be adjusted in accordance with the Commission-approved riders on Sheet Number 104-1.

Term of Contract

A written agreement may, at the Company's option, be required.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

This schedule is available to customers engaged in agricultural enterprises where service is taken through 1 meter for that customer's primary residence, and not more than 100 KW of connected electrical load is outside the residence. This schedule is not extended to operations of a commercial nature or operations such as processing, preparing, or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

This schedule is intended for single-phase service. Where the residential customer requests 3-phase service, this schedule will apply if the customer pays to the Company the difference between constructing single-phase and 3-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service schedule will apply to such service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP, Schedule NEMS, or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under the applicable Residential Schedule or Schedule NEMS. At its discretion, the Company may require that Company-owned metering be installed to monitor the customer's generation. The Company reserves the right to inspect the customer's relays and protective equipment at all reasonable times.

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P.U.C.O. NO. 20OAD - RIDER IRP-D Legacy
(Open Access Distribution - Interruptible Power - Discretionary)Availability of Service

Service pursuant to this rider is available to legacy customers who have remained participants in the IRP-D program continuously since 2015 and have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Legacy customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity.

The interruptible power contract capacity for all legacy customers served under this rider, contracts and agreements offered by the Company will be limited to 200,000 kW total in the Company's Ohio service area. Each legacy customer is limited to the amount of interruptible service currently under contract. If a legacy customer reduces the amount of interruptible load under contract, the new lower interruptible contract volume shall be the maximum amount of interruptible service eligible for this service.

In the event of a local emergency or if the Company receives an interruptible notice originating from PJM, the Company will issue an interruption notification. Each customer participating in this rider is responsible for providing and maintaining current contract information with the Company. All costs associated with providing the required Customer Communications System will be borne by the legacy customer.

Interruption Notice

The Company will endeavor to provide the customer with as much advance notice as reasonably possible of an upcoming emergency interruption. Such notice shall specify the starting and ending hour of the interruption if known. If an emergency situation requires an immediate action by AEP Ohio, the customer will be required to interrupt service immediately. The Company may notify the legacy customer of interruptions of their service due to actions of the regional transmission organization.

Failure to Comply With A Request For Interruption

1. If the legacy customer fails to interrupt load as requested by the Company for an emergency interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each emergency interruption and the sum of the legacy customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the Demand Credit as specified in this rider.

2. If the legacy customer fails to interrupt load as requested by the Company during an emergency interruption, the Company further reserves the right to:

a) Interrupt the customer's entire interruptible load.

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P.U.C.O. NO. 20OAD - RIDER IRP-D Legacy
(Open Access Distribution - Interruptible Power - Discretionary)Failure to Comply With A Request For Interruption (Cont'd)

- b) Discontinue service to the customer under this rider if the customer fails to interrupt load twice during any 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this rider, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

Contracts under this rider shall be made for a period of not less than one (1) PJM delivery year (June 1 through May 31) with notice to participate due by April 1st each year.

Capacity Payment Contributions

1. Each legacy customer shall bid its eligible interruptible capacity in either the PJM Base Residual Auction or a PJM Incremental Auction. Capacity and emergency energy revenues net of administrative fees obtained from such capacity contract(s) sales shall be paid to the Company for distribution in equal measure to the Energy Efficiency and Peak Demand Reduction Cost Recovery Rider and the Economic Development Rider. Failure by the legacy customer to properly account for, document when requested, and make full payment of capacity and emergency energy revenues to AEP Ohio may result in dismissal from the program and request for full payment with reasonable interest.
2. Each legacy customer may continue to act as their own curtailment service provider or employ a PJM qualified curtailment service provider so long as the legacy customer, as a condition of continued participation in the program, actively bid their interruptible capacity into the PJM auctions, and stand ready to account for and document the collection and payment to AEP Ohio of the interruptible capacity and emergency energy revenues. The Legacy Customer program will sunset with the June 1, 2024 billing cycle.

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

Generation Demand Credit (\$ per KW)

<u>Service Years</u>	<u>Prior to-</u>	<u>Beginning</u>
	<u>June 1,</u>	<u>June 1,</u>
	<u>2018</u>	<u>2018</u>
<u>Subtransmission</u>	<u>(8.21)</u>	<u>(9.00)</u>
<u>Transmission</u>	<u>(8.21)</u>	<u>(9.00)</u>

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OAD - RIDER IRP-D Legacy
(Open Access Distribution - Interruptible Power - Discretionary)

The Demand Credit shall apply to the customer's monthly interruptible demand. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the standard service rate schedule under which the customer receives service and the customer designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible service contract capacity.

Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

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OAD - SCHEDULE PEV

(Open Access Distribution - Pilot Plug-In Electric Vehicle Schedule)

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Schedule PEV of \$0.00.

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P.U.C.O. NO. 20

OAD - COUNTY FAIR TRANSMISSION SUPPLEMENT
(Open Access Distribution - Transmission Rider Classification for County Fair Accounts)

Availability

This Supplement shall apply to county fairs. It shall not be available to any customer receiving service pursuant to the terms of a special contract.

Account Classification for Basic Transmission Cost Rider

For purposes of the Basic Transmission Cost Rider, accounts receiving service under this rider shall be billed the Non Demand Metered class rate per kWh.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

OAD -UNIVERSAL SERVICE FUND RIDER
(Open Access Distribution – Universal Service Fund Rider)

Ohio Power Rate Zone

Effective Cycle 1 January 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Universal Service Fund charge of 0.34648¢/KWH for the first 833,000 KWH consumed each month and 0.01681¢/KWH for all KWH consumed each month in excess of 833,000 KWH.

Columbus Southern Power Rate Zone

Effective Cycle 1 January 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Universal Service Fund charge of 0.25116¢/KWH for the first 833,000 KWH consumed each month and 0.01830¢/KWH for all KWH consumed each month in excess of 833,000 KWH.

Filed pursuant to Order dated ~~December 13, 2017~~April 25, 2018 in Case No. ~~17-1377-EL-USF~~ 16-1852-EL-SSO

Issued: ~~December 15, 2017~~May 4, 2018

Effective: Cycle 1 ~~January-June~~ 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD – BAD DEBT RIDER
(Open Access Distribution – Bad Debt Rider)

Effective June 1, 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Bad Debt charge of \$0.00.

Filed pursuant to Order dated ~~February 25, 2015~~ April 25, 2018 in Case No. ~~43-2385-EL-SSO~~ 16-1852-EL-SSO

Issued: ~~April 24, 2015~~ May 4, 2018

Effective: Cycle 1 June ~~2018-1, 2015~~

Issued by
~~Pablo Vegas~~ Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD – RESIDENTIAL DISTRIBUTION CREDIT RIDER
(Open Access Distribution - Residential Distribution Credit Rider)

Effective January 1, 2012, all customer bills subject to the provision of this Rider, including any bills rendered under special contract, shall be adjusted by the Residential Distribution Credit Rider credit of 3.5807% of base distribution revenue. ~~This Rider will expire on May 31, 2015.~~

Filed pursuant to Orders dated ~~December 14, 2014~~April 25, 2018 in Case Nos. ~~11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR, and 11-352-EL-AIR~~16-1852-EL-SSO

Issued: ~~December 22, 2014~~May 4, 2018

Effective: ~~January 1, 2012~~Cycle 1 June 2018

Issued by
~~Pablo Vegas~~Julia Solat, President
AEP Ohio

P.U.C.O. NO. 20

Pilot Throughput Balancing Adjustment Rider
 (Open Access Distribution – Pilot Throughput Balancing Adjustment Rider)

Effective July 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Pilot Throughput Balancing Adjustment Rider charge per kWh as follows:

Ohio Power Rate Zone

Schedule	¢/KWH
RS, RS-ES, RS-TOD, RDMS, R-R, R-R-1, RLM, RS-TOD2, CPP, RTP	0.16448
GS-1	0.01931

Columbus Southern Power Rate Zone

Schedule	¢/KWH
RS, RS-ES, RS-TOD, RDMS, R-R, R-R-1, RLM, RS-TOD2, CPP, RTP	0.17283
GS-1, GS1-TOD	0.07564

Filed pursuant to Order dated ~~December 14, 2011~~April 25, 2018 in Case Nos. ~~11-351-EL-AIR and 11-352-EL-AIR~~16-1852-EL-SSO

Issued: ~~March 1, 2017~~May 4, 2018

Effective: ~~July 1, 2017~~Cycle 1 June, 2018

Issued by
 Julia Sloat, President
 AEP Ohio

P.U.C.O. NO. 20
OAD - DEFERRED ASSET PHASE-IN RIDER
(Open Access Distribution - Deferred Asset Phase-In Rider)

Effective August 1, 2017 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Deferred Asset Phase-In Rider charge of 7.81% of the customer's base distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission as set forth in the financing order in Case No. 12-1969-EL-ATS.

Filed pursuant to Order dated ~~March 20, 2013~~ April 25, 2018 in Case No. ~~12-1969-EL-ATA~~ 16-1852-EL-SSO

Issued: ~~August 1, 2017~~ May 4, 2018

Effective: ~~August 1, 2017~~ Cycle 1 June 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD - AUTOMAKER CREDIT RIDER
(Open Access Distribution – Automaker Credit Rider)

Availability

This rider is available to customers utilizing or expanding automaker facilities. For purposes of this rider, “automaker” shall refer to a company that manufactures automobiles.

Eligible customers must contact the Company to participate in this rider. Eligible customers that elect to participate will remain subject to this rider until providing the Company with notice of termination of participation.

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive an Energy Credit of \$0.01 per kWh for all monthly kWh consumption above the customer’s monthly baseline consumption, subject to the Rider Annual Cap. Monthly charges for all kWh consumption at or below the customer’s monthly baseline consumption shall be priced according to the customer’s standard service rate schedule.

Baseline Consumption

A customer’s monthly baseline consumption shall be equal to one-twelfth of the customer’s calendar year 2009 annual usage.

Rider Annual Cap

Total credits under this rider for all customers combined shall not exceed \$500,000 in any calendar year. In the event that one or more monthly customer bills contain kWh consumption which would cause the total calendar year credits under this rider to exceed the Annual Cap, the Company will divide the remaining credits under the Annual Cap equally among eligible customer bills for that month.

Special Terms and Conditions

This rider is subject to the Company’s Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Effective: Cycle 1, 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD - SSO CREDIT RIDER
(Open Access Distribution – SSO Credit Rider)

Effective Cycle 1 June 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the SSO Credit Rider as follows:

<u>Schedule</u>	<u>¢/kWh</u>
<u>Residential</u> <u>RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP,</u> <u>and RDMS</u>	<u>(0.0)</u>
<u>Non Demand Metered</u> <u>GS-1, GS-1 TOD</u> <u>GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES</u> <u>GS-3-ES</u> <u>EHS</u> <u>SS</u>	<u>(0.0)</u>
<u>Demand Metered Secondary</u> <u>GS-2</u> <u>GS-3</u> <u>EHG</u>	<u>(0.0)</u>
<u>Demand Metered Primary</u> <u>GS-2</u> <u>GS-3</u> <u>GS-4</u>	<u>(0.0)</u>
<u>Demand Metered Subtransmission/Transmission</u> <u>GS-2</u> <u>GS-3</u> <u>GS-4</u>	<u>(0.0)</u>
<u>Lighting</u> <u>AL</u> <u>SL</u>	<u>0.00000</u>

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
 Julia Sloat, President
 AEP Ohio

Effective: Cycle 1 June
 2018

P.U.C.O. NO. 20

OAD - POWER PURCHASE AGREEMENT RIDER
(Open Access Distribution – Power Purchase Agreement Rider)

Effective Cycle 1 April 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract shall be adjusted by the monthly Power Purchase Agreement charge as follows:

Schedule	¢/kWh
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	0.09773
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	0.05929
Demand Metered Secondary GS-2 GS-3 EHG	0.06003
Demand Metered Primary GS-2 GS-3 GS-4	0.04979
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	0.03835
Lighting AL SL	0.00000

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al. and the March 31, 2016 Opinion and Order in Case No. 14-1693-EL-RDR.

Filed pursuant to Orders dated ~~April 4, 2018~~ April 25, 2018 in Case No. ~~14-1693-EL-RDR~~ 16-1852-EL-SSO

Issued: ~~April 5,~~ May 4, 2018

Effective: ~~April 5, 2018~~ Cycle 1 June, 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD - BASIC TRANSMISSION COST RIDER
(Open Access Distribution – Basic Transmission Cost Rider)

Effective Cycle 1 April 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Basic Transmission Cost charge per kW and/or kWh as follows:

Schedule	¢/kWh	\$/kW
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	2.37790	
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	1.72373	
Demand Metered Secondary GS-2 GS-3	0.05135	5.74
Demand Metered Primary GS-2 GS-3 GS-4	0.04956	6.02
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	0.04857	5.49
Lighting AL SL	0.05135	
Interim Pilot 1CP Secondary	0.05135	7.92
Interim Pilot 1CP Primary	0.04956	7.65
Interim Pilot 1CP Subtransmission/Transmission	0.04857	7.49

The Interim Pilot 1CP Demand rates for the Basic Transmission Cost Rider are limited to availability as established in Case No. 10-2929-EL-UNC et al. The monthly \$/kW for the Interim Pilot 1CP Basic Transmission rate will be based on the participating customer's demand during the single zonal transmission peak. The 1CP will be changed each January based on the customer's contribution to the single zonal transmission peak during the previous year.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the flow through impact to this Rider of changes to the Open Access Transmission Tariff approved by the Federal Energy Regulatory Commission (including changes related to the Tax Cuts and Jobs Act of 2017) or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated ~~March 28, 2018~~ April 25, 2018 in Case No. ~~18-0096-EL-RDR~~ 16-1852-EL-SSO.

Issued: ~~March 28, 2018~~ May 4, 2018

Effective: Cycle 1 ~~April~~ June 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD – PILOT DEMAND RESPONSE RIDER
(Open Access Distribution – Pilot Demand Response Rider)

Pursuant to Commission order, this is merely a placeholder rider and no cost allocation or recovery shall occur at this time.

Filed pursuant to Order dated ~~February 25, 2015~~ April 25, 2018 in Case No. ~~43-2385-EL-SSO~~ 16-1852-EL-SSO

Issued: ~~April 24, 2015~~ May 4, 2018

Effective: Cycle 1 June ~~4, 2015~~ 2018

Issued by
~~Pablo Vegas~~ Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD – ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION COST RECOVERY RIDER
 (Open Access Distribution – Energy Efficiency and Peak Demand Reduction Cost Recovery Rider)

Effective Cycle 1 ~~June 2018~~ ~~September 2017~~, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Energy Efficiency and Peak Demand Reduction Cost Recovery charge as follows:

Class	\$/bill	\$/kWh	\$/kW	% of base distribution
Residential		0.00329660 34053		
General Service Non Demand Metered	4.14	-0.0009418 0.0010504		
General Service Demand Metered		-0.0010504 0.0009418	0.904	
Lighting		0.00032170 02131		6.64819%

If approved by the Commission, mercantile customers that have committed their demand response or other customer-sited capabilities, whether existing or new, for integration into the Company's demand response, energy efficiency or peak demand reduction programs, may be exempted from this Rider.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the January 18, 2017 Opinion and Order in Case No. 16-574-EL-POR.

Filed pursuant to Order dated ~~April~~ ~~March 25~~, 2018 in Case No. ~~16-1852-EL-SSO~~ ~~18-440-EL-ATA~~

Issued: ~~May 4, 2018~~ ~~April 12, 2018~~

Effective: ~~Cycle 1 June~~ ~~April 12~~, 2018

Issued by
 Julia Sloat, President
 AEP Ohio

P.U.C.O. NO. 20

OAD – ECONOMIC DEVELOPMENT COST RECOVERY RIDER
(Open Access Distribution – Economic Development Cost Recovery Rider)

Effective Cycle 1 ~~June~~^{April} 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Economic Development Cost Recovery charge of ~~4.126372~~^{2.91116}% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated ~~April~~^{March} 2~~5~~⁸, 2018 in Case No. ~~16-1852-EL-SSO~~^{18-191-EL-RDR}

Issued: ~~May 4~~^{March 28}, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 ~~June~~^{April} 2018

OAD – ENHANCED SERVICE RELIABILITY RIDER
(Open Access Distribution – Enhanced Service Reliability Rider)

Effective Cycle 1 July 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Enhanced Service Reliability charge of 7.34119% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated ~~March 28, 2018~~April 25, 2018 in Case No. ~~48-441-EL-ATA~~16-1852-EL-SSO

Issued: ~~April 12, 2018~~May 4, 2018

Effective: ~~April 12, 2018~~Cycle 1 June, 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD – gridSMART PHASE 2 RIDER
(Open Access Distribution – gridSMART Phase 2 Rider)

Effective with the first billing cycle of March 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly gridSMART Phase 2 charge. This rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 1, 2017 Opinion and Order in Case No. 13-1939-EL-RDR.

Residential Customers	(\$0.35)
Non-Residential	\$0.16

Filed pursuant to Order dated ~~February 1, 2017~~April 25, 2018 in Case No. ~~13-2385-EL-SSO~~16-1852-EL-SSO

Issued: ~~February 23, 2018~~May 4, 2018

Effective: Cycle 1 ~~March-June~~March 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD -Retail Stability Rider
 (Open Access Distribution – Retail Stability Rider)

Effective Cycle 1 March 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Retail Stability Rider charge per KWH, as follows:

Schedule	¢/KWH	
RS, RS-ES, RS-TOD and RDMS	0.15421	
R-R, R-R-1, RLM, RS-ES, RS-TOD, RS-TOD2, CPP and RTP	0.15421	
GS-1, GS-1 TOD, FL	0.56300	
GS-2, GS-2-TOD and GS-TOD, GS-3, GS-4, EHG, EHS, SS, SBS	First 833,000 kWh	0.72504
	kWh in Excess of 833,000	0.08000
SL	0.00000	
AL	0.00000	

Filed pursuant to Order dated ~~February 23, 2017~~April 25, 2018 in Case No. ~~16-1852-EL-SSO10-2929-EL-UNG et al.~~

Issued: ~~February 27, 2017~~May 4, 2018

Issued by
 Julia Sloat, President
 AEP Ohio

Effective: Cycle 1 ~~March 2017~~June 2018

P.U.C.O. NO. 20

~~OAD-RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER~~
 (Open Access Distribution—Renewable Energy Technology Program Rider)

Availability of Service

Available to customers taking electric service under the Company's standard service or open access distribution schedules that install a solar photovoltaic or wind energy system after July 1, 2011 and before June 30, 2013. Such systems must be located in the Company's service territory and have been certified as an Ohio Renewable Energy Resource Generating Facility by the Public Utilities Commission of Ohio.

This Rider shall remain in effect until June 30, 2013, while agreements entered into under the program will extend beyond the effective period of the Rider.

Definitions

"Solar Photovoltaic" means energy from devices which generate electricity directly from sunlight through the movement of electrons.

"Wind Energy" means electricity generated from wind turbines, windmills, or other technology that converts wind into electricity.

"Renewable Energy Certificate" ("REC") means a tradable unit that represents the commodity formed by unbundling the environmental attributes of a unit of renewable energy from the underlying electricity. One REC would be equivalent to the environmental attributes of one MWH of electricity from a renewable or environmentally friendly generation source.

REC Purchase and Incentives

Customers taking service under this rider shall enter into a Renewable Energy Technology Program Agreement with the Company which contains all terms and conditions related to the Company's purchase of RECs and payment of an incentive. Copies of the Company's Renewable Energy Technology Program Agreement are available upon request or on the Company's website.

Pursuant to the Renewable Energy Technology Program Agreement, the Company will provide an incentive, as defined below, to qualifying customers provided that all requirements are met and funds are available within the annual funding caps.

System Type	Customer Type	Incentive Amount	Minimum System Size	Maximum Incentive As a % of System Cost	Maximum Incentive per Customer	Annual Funding Cap
Solar Photovoltaic	Residential	\$1.50/watt	2 kW (dc)	50%	\$12,000	\$400,000
	Non-Residential	\$1.50/watt	10 kW (dc)	50%	\$75,000	\$600,000
Wind	Residential	\$0.275/kWh	3,000 kWh/year (ac)	50%	\$7,500	\$187,500
	Non-Residential	\$0.275/kWh	3,000 kWh/year (ac)	40%	\$12,000	\$62,500

Filed pursuant to Orders dated December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR and 11-352-EL-AIR

Issued: December 22, 2011

Effective: January 1, 2012

Issued by
 Pablo Vegas, President
 AEP Ohio

P.U.C.O. NO. 20

~~OAD-RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER~~
~~(Open Access Distribution-Renewable Energy Technology Program Rider)~~

Conditions of Service

- ~~1. To receive the incentive amounts as specified above, the customer agrees to assign all of the RECs produced by the solar photovoltaic or wind energy system to the Company for 15 years from the date the facility is installed.~~
- ~~2. The Company's total funding for the Rider through June 30, 2013 is \$2.5 million with Annual Funding Caps as specified above.~~
- ~~3. For each System Type and Customer Type, any funds not awarded through June 30, 2012 will carry over and be available through June 30, 2013. Any funds not awarded by June 30, 2013 will not carry over beyond June 30, 2013. Any incentives must be awarded by June 30, 2013.~~
- ~~4. Applications will be processed and incentives will be awarded on a first-come, first-served basis, until the Company's funding is expended.~~
- ~~5. Only systems installed after July 1, 2011 are eligible to participate in this program.~~
- ~~6. Systems must be installed within six months after approval of the application or by June 30, 2013 if the application is made after December 31, 2012.~~
- ~~7. Unless stated otherwise in this Rider, all requirements of the respective NOFA #08-09 Renewable Energy Programs of the Ohio Department of Development—Ohio Energy Office will be enforced.~~
- ~~8. A utility grade meter capable of measuring kWh produced from the system must be installed for systems greater than 6 kW. Those systems 6 kW or below must meet PUCO approved means for measuring kWh production.~~
- ~~9. The customer must qualify for and take service under the Company's Schedule NEMS (Net Energy Metering Service).~~
- ~~10. The customer's system must be designed and installed to operate in parallel with the Company's system, through an interconnection agreement with the Company.~~
- ~~11. The system must be located on the same site where the customer's own electricity demand is located.~~
- ~~12. The customer must be the owner of the RECs.~~
- ~~13. The customer must secure PUCO certification as an Ohio Renewable Energy Resource Generating Facility for the system.~~
- ~~14. The customer will receive the incentive payment after the total system is installed and is in operation for 30 consecutive days.~~

Filed pursuant to Orders dated December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR and 11-352-EL-AIR

Issued: December 22, 2011

Effective: January 1, 2012

Issued by
Pablo Vegas, President
AEP Ohio

P.U.C.O. NO. 20

~~OAD—RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER~~
(~~Open Access Distribution—Renewable Energy Technology Program Rider~~)

~~15. The customer is responsible for providing monthly generator output readings to the Company and must complete an Annual Affidavit of Performance. The Company may also secure random readings for validation purposes.~~

~~16. If the system becomes inoperable for 90 days or if ownership of the property changes, the customer must refund to the Company a pro-rata amount of the incentive based upon the remaining term of the agreement.~~

~~This Rider will not modify the customer's bill for electric service under the applicable standard service schedule.~~

Special Terms and Conditions

~~This Rider is subject to the Company's Terms and Conditions of Service and all provisions of the standard service schedule under which the customer takes service.~~

~~Filed pursuant to Orders dated December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR and 11-352-EL-AIR~~

~~Issued: December 22, 2011~~

~~Effective: January 1, 2012~~

~~Issued by
Pablo Vegas, President
AEP Ohio~~

P.U.C.O. NO. 20

OAD - DISTRIBUTION INVESTMENT RIDER
(Open Access Distribution- Distribution Investment Rider)

Effective Cycle 1 March 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Distribution Investment Rider charge of 32.29875% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, *et al.*

Filed pursuant to order dated ~~November 13, 2013~~ April 25, 2018 in Case No. ~~12-2627-EL-RDR~~ 16-1852-EL-SSO

Issued: ~~February 15, 2018~~ May 4, 2018

2018 Issued By
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 ~~March-June~~
2018

P.U.C.O. NO. 20

OAD – STORM DAMAGE RECOVERY RIDER
(Open Access Distribution – Storm Damage Recovery Rider)

Effective Cycle 1 June 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Storm Damage Recovery Rider credit. This Rider shall expire with the last billing cycle of June 2017.

Residential Customers	\$(0.70)/month
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Non-Residential Customers	\$(2.92)/month
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Filed pursuant to Order dated ~~May 17, 2017~~April 25, 2018 in Case No. ~~16-821-EL-RDR~~16-1852-EL-SSO

Issued: ~~May 22, 2017~~May 4, 2018

Effective: Cycle 1 June ~~2017~~2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD- RENEWABLE GENERATION RIDER
(Open Access Distribution – Renewable Generation Rider)

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Renewable Generation Rider of \$0.00.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

OAD - POWER FORWARD RIDER
(Open Access Distribution – Power Forward Rider)

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Power Forward of \$0.00.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

OAD – PHASE-IN RECOVERY RIDER
 (Open Access Distribution – Phase-In Recovery Rider)

Effective Cycle 1 March 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Phase-In Recovery Rider charge per kWh as follows:

Ohio Power Rate Zone

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.55510
Primary	0.52890
Subtransmission/Transmission	0.51440

Columbus Southern Power Rate Zone

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.00000
Primary	0.00000
Subtransmission/Transmission	0.00000

This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to Order dated ~~February 23, 2017~~April 25, 2018 in Case No. ~~10-2929-EL-UNC et al.~~16-1852-EL-SSO

Issued: ~~February 27, 2017~~May 4, 2018

Effective: Cycle 1 ~~March 2017~~June 2018

Issued by
 Julia Sloat, President
 AEP Ohio

P.U.C.O. NO. 20

OAD-SMART CITY RIDER
(Open Access Distribution – Smart City Rider)

Effective Cycle 1 June, 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Smart City Rider charge. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the April 25, 2018 Opinion and Order in Case No. 16-1852-EL-SSO.

<u>Residential Customers</u>	<u>\$0/month</u>
<u>Non-Residential Customers</u>	<u>\$0/month</u>

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

OAD - RIDER IRP-D EXPANDED SERVICE
(Open Access Distribution - Interruptible Power – Discretionary)

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Availability of Service

Service pursuant to this rider is available to customers that have provided reasonable evidence to the Company that their electric service can be interrupted in accordance with this rider and is limited to the inclusion of agreed upon customers and load limitations established in Case No. 16-1852-EL-SSO. Customers participating in this rider shall enter into a contract with the Company, and as part of that contract shall designate the customer's firm service level and its interruptible demand of not less than 1,000 kW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this rider will be limited to 280,000 kW of which 160,000 kW of load shall be from existing customers and 120,000 kW of load shall be from customers new to the service area as ordered in Case No. 16-1852-EL-SSO. Once 160,000 kW have been enrolled, new participants or load expansions of existing customers will not be admitted into the program.

In the event of a local emergency or if the Company receives an interruption notice originating from PJM, the Company will issue an interruption notification. Each customer participating in this rider is responsible for providing and maintaining current contact information with the Company. All costs associated with providing the initial, required Customer Communications System will be borne by the customer.

Enrollment, Registration and Participation in PJM Demand Response Programs

Participation in this rider does not preclude the customer from also participating in other PJM demand response programs through a Curtailment Service Provider. Customers are permitted to retain any compensation received by PJM for their participation in those programs. Except for the first year of the IRP Expanded Service, enrollment in the IRP Expanded Service program shall be for a PJM Delivery Year at a time. Customers have an option to opt-out of their participation for any future PJM year upon timely notification. An IRP Expanded Service customer who opts-out of the program may opt-in for a future PJM year. Opt-out notification for the upcoming PJM calendar year must be provided to the Company on or before April 1st. If a customer does not opt-out by the April 1st date, they are deemed participating for the following PJM Delivery Year (June 1 through May 31).

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Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of an upcoming emergency interruption, but a customer will not be required to interrupt on less than 30 minutes notice. Such notice shall specify the starting and ending hour of the interruption if known. The Company may notify the customer of interruptions of their service due to actions of PJM.

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P.U.C.O. NO. 20OAD - RIDER IRP-D EXPANDED SERVICE
(Open Access Distribution - Interruptible Power – Discretionary)

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Failure to Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for an emergency interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each emergency interruption and the firm service level contracted for by the customer in its agreement with the Company. The rate discount will be the Demand Credit as specified in this rider.
2. If the customer materially fails two or more times during any 12-month period to interrupt load during an emergency interruption as requested by the Company, the Company further reserves the right to discontinue service to the customer under this rider.

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Numbering Style: 1, 2, 3, ... + Start at: 1 +
Alignment: Left + Aligned at: 0.1" + Indent at:
0.59"Term of Contract

Contracts under this rider shall be made for a period of not less than one (1) PJM delivery year (June 1 through May 31) with notice to participate due by April 1st each year.

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numberingMonthly Rate

In addition to the monthly charges for service under the applicable rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

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The Demand Credit shall be determined by multiplying the customer's monthly interruptible demand times the PJM Base Residual Auction market rate for the AEP Zone times 0.7. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the applicable rate schedule under which the customer receives service and the customer's designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible demand specified in its contract.

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Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

In delivery years when there are no emergency or pre-emergency events, the customer agrees to provide the Company the results of any interruption tests performed in accordance with the PJM tariff as evidence of the customer's ability to interrupt. If the customer does not participate in PJM in a delivery year, the Company shall verify the customer's ability to interrupt through a comparable test. Failure to provide this testing information or failure to adequately perform during such a test shall be considered a failure to interrupt under this rider.

Participation in this rider will discontinue once the cost threshold established in Case No. 16-1852-EL-SSO is reached. The Company will calculate the values provided under the tariff and attempt to provide as much notice as possible to participating customers before the rider discontinues.

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Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018—

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Issued by
Julia Sloat, President
AEP Ohio

Attachment B – Clean Tariffs

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	Ohio Power & Columbus Southern Power Rate Zones		
	Table of Contents	101-1 thru 101-2	Cycle 1 June 2018
	List of Communities Served	102-1 thru 102-9	January 1, 2012
	Terms and Conditions of Service	103-1 thru 103-48	April 19, 2017
	Applicable Riders	104-1	Cycle 1 June 2018
	Ohio Power Rate Zone		
RS	Residential Service	210-1 thru 210-3	June 1, 2015
RS-ES	Residential Energy Storage	211-1 thru 211-2	June 1, 2015
RS-TOD	Residential Time-of-Day	212-1 thru 212-2	June 1, 2015
RDMS	Residential Demand Metered Service	213-1 thru 213-2	June 1, 2015
RSDM	Residential Service – Demand Metered	214-1 thru 214-2	Cycle 1 June 2018
GS-1	General Service – Non-Demand Metered	220-1 thru 220-3	June 1, 2015
GS-2	General Service - Low Load Factor	221-1 thru 221-5	June 1, 2015
GS-TOD	General Service – Time-of-Day	222-1 thru 222-2	June 1, 2015
GS-3	General Service – Medium/High Load Factor	223-1 thru 223-4	June 1, 2015
GS-4	General Service – Large	224-1 thru 224-4	June 1, 2015
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SBS	Standby Service	227-1 thru 227-2	June 1, 2015
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EHS	Electric Heating Schools	243-1 thru 243-2	June 1, 2015
SS	School Service	244-1 thru 244-2	June 1, 2015
	Columbus Southern Power Rate Zone		
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R-R-1	Residential Small Use Load Management	311-1 thru 311-4	June 1, 2015
RLM	Residential Optional Demand Rate	312-1 thru 312-4	June 1, 2015
RS-ES	Residential Energy Storage	313-1 thru 313-3	June 1, 2015
RS-TOD	Residential Time-of-Day	314-1 thru 314-2	June 1, 2015
RS-TOD 2	Experimental Residential Time-of-Day	315-1 thru 315-2	June 1, 2015
DLC Rider	Experimental Direct Load Control Rider	316-1 thru 316-4	Cycle 1 September 2012
CPP	Experimental Critical Peak Pricing Service	317-1 thru 317-3	June 1, 2015
RTP	Experimental Residential Real-Time Pricing Service	318-1 thru 318-3	June 1, 2015
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GS-1	General Service – Small	320-1 thru 320-3	June 1, 2015
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GS-2	General Service – Low Load Factor	321-1 thru 321-4	June 1, 2015
GS-2-TOD	General Service – Time-of-Day	322-1 thru 322-2	June 1, 2015
GS-3	General Service – Medium Load Factor	323-1 thru 323-4	June 1, 2015
GS-4	General Service – Large	324-1 thru 324-3	June 1, 2015
COGEN/SPP	Cogeneration and/or Small Power Production	326-1 thru 326-4	June 1, 2015
SBS	Standby Service	327-1 thru 327-2	June 1, 2015
SL	Street Lighting	340-1 thru 340-4	January 1, 2015
AL	Private Area Lighting	341-1 thru 341-3	January 1, 2015

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

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AEP Ohio

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	Ohio Power & Columbus Southern Power Rate Zones		
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NEMS	Net Energy Metering Service	428-1 thru 428-2	January 1, 2012
NEMS-H	Net Energy Metering Service - Hospitals	429-1 thru 429-2	January 1, 2012
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CFTS	County Fair Transmission Supplement	454-1	Cycle 1 June 2018
	Universal Service Fund Rider	460-1	Cycle 1 June 2018
	Bad Debt Rider	461-1	Cycle 1 June 2018
	KWH Tax Rider	462-1	January 1, 2012
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	Pilot Throughput Balancing Adjustment Rider	464-1	Cycle 1 June 2018
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	Power Purchase Agreement Rider	473-1	Cycle 1 June 2018
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	Pilot Demand Response Rider	480-1	Cycle 1 June 2018
	Energy Efficiency and Peak Demand Reduction Cost Recovery Rider	481-1	Cycle 1 June 2018
	Economic Development Cost Recovery Rider	482-1	Cycle 1 June 2018
	Enhanced Service Reliability Rider	483-1	
	gridSMART Phase 2 Rider	485-1	Cycle 1 June 2018
	Retail Stability Rider	487-1	Cycle 1 June 2018
	Distribution Investment Rider	489-1	Cycle 1 June 2018
	Storm Damage Recovery Rider	490-1	Cycle 1 June 2018
	Renewable Generation Rider	491-1	Cycle 1 June 2018
	Alternative Energy Rider	492-1	Cycle 1 June 2018
	Power Forward Rider	493-1	Cycle 1 June 2018
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IRP-E	Interruptible Power Rider – Expanded Service Discretionary Rider	496-1 thru 496-2	Cycle 1 June 2018

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P.U.C.O. NO. 20

Applicable Riders

Rider Description	Ohio Power Rate Zone		Columbus Southern Power Rate Zone		Sheet No.
	Standard Service	Open Access Distribution Service	Standard Service	Open Access Distribution Service	
Interruptible Power Rider – Legacy Discretionary Rider	Yes	Yes	Yes	Yes	427-1
Universal Service Fund Rider	Yes	Yes	Yes	Yes	460-1
Bad Debt Rider	Yes	Yes	Yes	Yes	461-1
KWH Tax Rider	Yes	Yes	Yes	Yes	462-1
Residential Distribution Credit Rider	Yes	Yes	Yes	Yes	463-1
Pilot Throughput Balancing Adjustment Rider	Yes	Yes	Yes	Yes	464-1
Deferred Asset Phase-In Rider	Yes	Yes	Yes	Yes	465-1
Automaker Credit Rider	Yes	Yes	Yes	Yes	466-1
Generation Energy Rider	Yes		Yes		467-1
Generation Capacity Rider	Yes		Yes		468-1
Auction Cost Reconciliation Rider	Yes		Yes		469-1
Electronic Transfer Rider	Yes	Yes	Yes	Yes	470-1
Competition Incentive Rider	Yes		Yes		471-1
SSO Credit Rider	Yes	Yes	Yes	Yes	472-1
Power Purchase Agreement Rider	Yes	Yes	Yes	Yes	473-1
Basic Transmission Cost Rider	Yes	Yes	Yes	Yes	474-1
Pilot Demand Response Rider	Yes	Yes	Yes	Yes	480-1
Energy Efficiency and Peak Demand Reduction Cost Recovery Rider	Yes	Yes	Yes	Yes	481-1
Economic Development Cost Recovery Rider	Yes	Yes	Yes	Yes	482-1
Enhanced Service Reliability Rider	Yes	Yes	Yes	Yes	483-1
gridSMART® Phase 2 Rider	Yes	Yes	Yes	Yes	485-1
Retail Stability Rider	Yes	Yes	Yes	Yes	487-1
Distribution Investment Rider	Yes	Yes	Yes	Yes	489-1
Storm Damage Recovery Rider	Yes	Yes	Yes	Yes	490-1
Renewable Generation Rider	Yes	Yes	Yes	Yes	491-1
Alternative Energy Rider	Yes		Yes		492-1
Power Forward Rider	Yes	Yes	Yes	Yes	493-1
Phase-In Recovery Rider	Yes	Yes	Yes	Yes	494-1
Smart City Rider	Yes	Yes	Yes	Yes	495-1
Interruptible Power Rider – Expanded	Yes	Yes	Yes	Yes	496-1

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P.U.C.O. NO. 20

Applicable Riders

Service Discretionary Rider					
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P.U.C.O. NO. 20

SCHEDULE RS D
(Residential Service – Demand-Metered)

Availability of Service

Available for residential service through one meter to individual residential customers.

Monthly Rate (Schedule Codes 010)

	Distribution
Customer Charge (\$)	8.40
Monthly Demand Charge (\$ per KW)	3.17

Monthly Billing Demand

Energy supplied hereunder will be delivered through not more than 1 single-phase or 1 poly-phase meter. Billing demand in KW shall be taken each month as the single highest 30-minute integrated peak in KW as registered during the month by a 30-minute integrating demand meter or indicator.

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge and all applicable riders.

Payment

Bills are due and payable in full by mail, checkless payment plan, electronic payment plan or at an authorized payment agent of the Company within 15 days after the mailing of the bill.

Applicable Riders

Monthly Charges computed under this schedule shall be adjusted in accordance with the Commission-approved riders on Sheet Number 104-1.

Term of Contract

A written agreement may, at the Company's option, be required.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

This schedule is available to customers engaged in agricultural enterprises where service is taken through 1 meter for that customer's primary residence, and not more than 100 KW of connected electrical load is outside the residence. This schedule is not extended to operations of a commercial nature or operations such as processing, preparing, or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

This schedule is intended for single-phase service. Where the residential customer requests 3-phase service, this schedule will apply if the customer pays to the Company the difference between

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Julia Sloat, President
AEP Ohio

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SCHEDULE RS D
(Residential Service – Demand-Metered)

constructing single-phase and 3-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service schedule will apply to such service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP, Schedule NEMS, or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under the applicable Residential Schedule or Schedule NEMS. At its discretion, the Company may require that Company-owned metering be installed to monitor the customer's generation. The Company reserves the right to inspect the customer's relays and protective equipment at all reasonable times.

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SCHEDULE RS D
(Residential Service – Demand-Metered)

Availability of Service

Available for residential service through one meter to individual residential customers.

Monthly Rate (Schedule Codes 010)

	Distribution
Customer Charge (\$)	8.40
Monthly Demand Charge (\$ per KW)	3.17

Monthly Billing Demand

Energy supplied hereunder will be delivered through not more than 1 single-phase or 1 poly-phase meter. Billing demand in KW shall be taken each month as the single highest 30-minute integrated peak in KW as registered during the month by a 30-minute integrating demand meter or indicator.

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge and all applicable riders.

Payment

Bills are due and payable in full by mail, checkless payment plan, electronic payment plan or at an authorized payment agent of the Company within 15 days after the mailing of the bill.

Applicable Riders

Monthly Charges computed under this schedule shall be adjusted in accordance with the Commission-approved riders on Sheet Number 104-1.

Term of Contract

A written agreement may, at the Company's option, be required.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

This schedule is available to customers engaged in agricultural enterprises where service is taken through 1 meter for that customer's primary residence, and not more than 100 KW of connected electrical load is outside the residence. This schedule is not extended to operations of a commercial nature or operations such as processing, preparing, or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

This schedule is intended for single-phase service. Where the residential customer requests 3-phase service, this schedule will apply if the customer pays to the Company the difference between

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SCHEDULE RS D
(Residential Service – Demand-Metered)

constructing single-phase and 3-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service schedule will apply to such service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP, Schedule NEMS, or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under the applicable Residential Schedule or Schedule NEMS. At its discretion, the Company may require that Company-owned metering be installed to monitor the customer's generation. The Company reserves the right to inspect the customer's relays and protective equipment at all reasonable times.

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RIDER IRP-D Legacy
(Interruptible Power - Discretionary)Availability of Service

Service pursuant to this rider is available to legacy customers who have remained participants in the IRP-D program continuously since 2015 and have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Legacy customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity.

The interruptible power contract capacity for all legacy customers served under this rider, contracts and agreements offered by the Company will be limited to 200,000 kW total in the Company's Ohio service area. Each legacy customer is limited to the amount of interruptible service currently under contract. If a legacy customer reduces the amount of interruptible load under contract, the new lower interruptible contract volume shall be the maximum amount of interruptible service eligible for this service.

In the event of a local emergency or if the Company receives an interruptible notice originating from PJM, the Company will issue an interruption notification. Each customer participating in this rider is responsible for providing and maintaining current contract information with the Company. All costs associated with providing the required Customer Communications System will be borne by the legacy customer.

Interruption Notice

The Company will endeavor to provide the customer with as much advance notice as reasonably possible of an upcoming emergency interruption. Such notice shall specify the starting and ending hour of the interruption if known. If an emergency situation requires an immediate action by AEP Ohio, the customer will be required to interrupt service immediately. The Company may notify the legacy customer of interruptions of their service due to actions of the regional transmission organization.

Failure to Comply With A Request For Interruption

1. If the legacy customer fails to interrupt load as requested by the Company for an emergency interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each emergency interruption and the sum of the legacy customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the Demand Credit as specified in this rider.
2. If the legacy customer fails to interrupt load as requested by the Company during an emergency interruption, the Company further reserves the right to:
 - a) Interrupt the customer's entire interruptible load.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

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AEP Ohio

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P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power - Discretionary)Failure to Comply With A Request For Interruption (Cont'd)

- b) Discontinue service to the customer under this rider if the customer fails to interrupt load twice during any 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this rider, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

Contracts under this rider shall be made for a period of not less than one (1) PJM delivery year (June 1 through May 31) with notice to participate due by April 1st each year.

Capacity Payment Contributions

- Each legacy customer shall bid its eligible interruptible capacity in either the PJM Base Residual Auction or a PJM Incremental Auction. Capacity and emergency energy revenues net of administrative fees obtained from such capacity contract(s) sales shall be paid to the Company for distribution in equal measure to the Energy Efficiency and Peak Demand Reduction Cost Recovery Rider and the Economic Development Rider. Failure by the legacy customer to properly account for, document when requested, and make full payment of capacity and emergency energy revenues to AEP Ohio may result in dismissal from the program and request for full payment with reasonable interest.
- Each legacy customer may continue to act as their own curtailment service provider or employ a PJM qualified curtailment service provider so long as the legacy customer, as a condition of continued participation in the program, actively bid their interruptible capacity into the PJM auctions, and stand ready to account for and document the collection and payment to AEP Ohio of the interruptible capacity and emergency energy revenues. The Legacy Customer program will sunset with the June 1, 2024 billing cycle.

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

Generation Demand Credit (\$ per KW)

Service Years	Prior to-	Beginning
	June 1, 2018	June 1, 2018
Subtransmission	(8.21)	(9.00)
Transmission	(8.21)	(9.00)

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AEP Ohio

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P.U.C.O. NO. 20

RIDER IRP-D Legacy
(Interruptible Power - Discretionary)

The Demand Credit shall apply to the customer's monthly interruptible demand. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the standard service rate schedule under which the customer receives service and the customer designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible service contract capacity.

Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

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AEP Ohio

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P.U.C.O. NO. 20

SCHEDULE PEV
(Pilot Plug-In Electric Vehicle Schedule)

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Schedule PEV of \$0.00.

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AEP Ohio

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COUNTY FAIR TRANSMISSION SUPPLEMENT
(Transmission Rider Classification for County Fair Accounts)

Availability

This Supplement shall apply to county fairs. It shall not be available to any customer receiving service pursuant to the terms of a special contract.

Account Classification for Basic Transmission Cost Rider

For purposes of the Basic Transmission Cost Rider, accounts receiving service under this rider shall be billed the Non Demand Metered class rate per kWh.

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AEP Ohio

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P.U.C.O. NO. 20

UNIVERSAL SERVICE FUND RIDER

Ohio Power Rate Zone

Effective Cycle 1 January 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Universal Service Fund charge of 0.34648¢/KWH for the first 833,000 KWH consumed each month and 0.01681¢/KWH for all KWH consumed each month in excess of 833,000 KWH.

Columbus Southern Power Rate Zone

Effective Cycle 1 January 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Universal Service Fund charge of 0.25116¢/KWH for the first 833,000 KWH consumed each month and 0.01830¢/KWH for all KWH consumed each month in excess of 833,000 KWH.

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AEP Ohio

P.U.C.O. NO. 20

BAD DEBT RIDER

Effective June 1, 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Bad Debt charge of \$0.00.

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AEP Ohio

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P.U.C.O. NO. 20

Residential Distribution Credit Rider

Effective January 1, 2012, all customer bills subject to the provision of this Rider, including any bills rendered under special contract, shall be adjusted by the Residential Distribution Credit Rider credit of 3.5807% of base distribution revenue.

Filed pursuant to Orders dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June, 2018

P.U.C.O. NO. 20

Pilot Throughput Balancing Adjustment Rider

Effective July 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Pilot Throughput Balancing Adjustment Rider charge per kWh as follows:

Ohio Power Rate Zone

Schedule	¢/KWH
RS, RS-ES, RS-TOD, RDMS, R-R, R-R-1, RLM, RS-TOD2, CPP, RTP	0.16448
GS-1	0.01931

Columbus Southern Power Rate Zone

Schedule	¢/KWH
RS, RS-ES, RS-TOD, RDMS, R-R, R-R-1, RLM, RS-TOD2, CPP, RTP	0.17283
GS-1, GS1-TOD	0.07564

Filed pursuant to Order dated April 25, 2018 in Case Nos. 16-1852-EL-SSO

Issued: May 4, 2018

Effective: Cycle 1 June 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20
Deferred Asset Phase-In Rider

Effective August 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Deferred Asset Phase-In Rider charge of 7.81% of the customer's base distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission as set forth in the financing order in Case No. 12-1969-EL-ATS.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

AUTOMAKER CREDIT RIDER

Availability

This rider is available to customers utilizing or expanding automaker facilities. For purposes of this rider, "automaker" shall refer to a company that manufactures automobiles.

Eligible customers must contact the Company to participate in this rider. Eligible customers that elect to participate will remain subject to this rider until providing the Company with notice of termination of participation.

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive an Energy Credit of \$0.01 per kWh for all monthly kWh consumption above the customer's monthly baseline consumption, subject to the Rider Annual Cap. Monthly charges for all kWh consumption at or below the customer's monthly baseline consumption shall be priced according to the customer's standard service rate schedule.

Baseline Consumption

A customer's monthly baseline consumption shall be equal to one-twelfth of the customer's calendar year 2009 annual usage.

Rider Annual Cap

Total credits under this rider for all customers combined shall not exceed \$500,000 in any calendar year. In the event that one or more monthly customer bills contain kWh consumption which would cause the total calendar year credits under this rider to exceed the Annual Cap, the Company will divide the remaining credits under the Annual Cap equally among eligible customer bills for that month.

Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 5, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June , 2018

P.U.C.O. NO. 20

GENERATION ENERGY RIDER

Effective June 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Energy charge as follows:

Schedule	Summer (Jun-Sep)	Winter (Oct-May)
	¢/KWH	¢/KWH
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	4.04800	4.04800
PIPP Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, , , , and RDMS	3.99500	3.99500
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	4.04800	4.04800
Demand Metered Secondary GS-2 GS-3 EHG	4.04800	4.04800
Demand Metered Primary GS-2 GS-3 GS-4	3.90700	3.90700
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	3.82900	3.82900
Lighting AL SL	4.04800	4.04800

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

GENERATION CAPACITY RIDER

Effective June 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Columbus Southern Power Rate Zone

Rate		c/kWh or \$/Month
RR, RR-1		1.48400
RLM	<u>Winter Rate</u> First 750 KWH Next 150 KWH All Other KWH <u>Summer Rate</u> First 750 KWH Next 150 KWH All Other KWH	2.05850 1.11399 1.30282 2.05850 1.95546 1.82968
RS-ES, RS-TOD	On Peak KWH Off-Peak KWH	2.56811 0.88104
RS-TOD2	Low Cost Hours High Cost Hours	0.32669 14.87116
Schedule CPP	<u>Winter Rate</u> First 800 KWH Over 800 KWH Critical Peak Hours <u>Summer Rate</u> Low Cost Hours Medium Cost Hours High Cost Hours Critical Peak Hours	1.35437 0.00000 32.75087 0.32751 1.02687 2.09908 32.75087
RS-RTP	Per Month	18.05
GS-1, GS-1 TOD		1.37800
GS-2-TOD, GS-2 LMTOD	On-Peak Hours Off-Peak Hours	4.12434 0.01409
Demand Metered Secondary GS-2 GS-3		1.31700
Demand Metered Primary GS-2 GS-3		1.08400
Demand Metered Subtransmission/Transmission GS-4		0.50900

Seasonal Periods

The winter period shall be the billing months of October through May and the summer period shall be the billing months of June through September.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Effective: Cycle 1 June 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

GENERATION CAPACITY RIDER

Effective June 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Ohio Power Rate Zone

Rate		c/kWh or \$/Month
RS		1.48400
RDMS	KWH > 400 times billing demand	1.70449
	First 500 on-peak KWH	2.12968
	All Over 500 on-peak KWH	1.58601
	All additional KWH	0.48281
RS-ES, RS-TOD	On Peak KWH Off-Peak KWH	3.07310 0.84659
GS-1, EHS, SS, GS-2 Recreational Lighting		1.37800
GS-1 ES	On-Peak Hours Off-Peak Hours	2.81870 0.61531
GS-TOD, GS-2-ES	On-Peak Hours Off-Peak Hours	2.25775 0.77771
Demand Metered Secondary GS-2 GS-3 EHG		1.31700
Demand Metered Primary GS-2 GS-3 GS-4		1.08400
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4		0.50900

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

AUCTION COST RECONCILIATION RIDER

Effective Cycle 1 June 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Auction Cost Reconciliation Rider charge of 0.11278¢/KWH. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, *et al.*

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

COMPETITION INCENTIVE RIDER

Effective June 1, 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Competition Incentive Rider charge of \$0.0 per kWh.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June , 2018

P.U.C.O. NO. 20

SSO CREDIT RIDER

Effective Cycle 1 June 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the SSO Credit Rider as follows:

Schedule	¢/kWh
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	(0.0)
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	(0.0)
Demand Metered Secondary GS-2 GS-3 EHG	(0.0)
Demand Metered Primary GS-2 GS-3 GS-4	(0.0)
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	(0.0)
Lighting AL SL	0.00000

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Effective: Cycle 1 June 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

POWER PURCHASE AGREEMENT RIDER

Effective Cycle 1 April 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Power Purchase Agreement charge as follows:

Schedule	¢/kWh
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	0.09773
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	0.05929
Demand Metered Secondary GS-2 GS-3 EHG	0.06003
Demand Metered Primary GS-2 GS-3 GS-4	0.04979
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	0.03835
Lighting AL SL	0.00000

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al. and the March 31, 2016 Opinion and Order in Case No. 14-1693-EL-RDR.

Filed pursuant to Orders dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

BASIC TRANSMISSION COST RIDER

Effective Cycle 1 April 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Basic Transmission Cost charge per kW and/or kWh as follows:

Schedule	¢/kWh	\$/kW
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	2.37790	
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	1.72373	
Demand Metered Secondary GS-2 GS-3	0.05135	5.74
Demand Metered Primary GS-2 GS-3 GS-4	0.04956	6.02
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	0.04857	5.49
Lighting AL SL	0.05135	
Interim Pilot 1CP Secondary	0.05135	7.92
Interim Pilot 1CP Primary	0.04956	7.65
Interim Pilot 1CP Subtransmission/Transmission	0.04857	7.49

The Interim Pilot 1CP Demand rates for the Basic Transmission Cost Rider are limited to availability as established in Case No. 10-2929-EL-UNC et al. The monthly \$/kW for the Interim Pilot 1CP Basic Transmission rate will be based on the participating customer's demand during the single zonal transmission peak. The 1CP will be changed each January based on the customer's contribution to the single zonal transmission peak during the previous year.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the flow through impact to this Rider of changes to the Open Access Transmission Tariff approved by the Federal Energy Regulatory Commission (including changes related to the Tax Cuts and Jobs Act of 2017) or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO.

Issued: May 4, 2018

Effective: Cycle 1 June 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

PILOT DEMAND RESPONSE RIDER

Pursuant to Commission order, this is merely a placeholder rider and no cost allocation or recovery shall occur at this time.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION COST RECOVERY RIDER

Effective Cycle 1 June 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Energy Efficiency and Peak Demand Reduction Cost Recovery charge as follows:

Class	\$/bill	\$/kWh	\$/kW	% of base distribution
Residential		0.0032966		
General Service Non Demand Metered	4.14	-0.0010504		
General Service Demand Metered		-0.0010504	0.90	
Lighting		0.0002131		6.64819%

If approved by the Commission, mercantile customers that have committed their demand response or other customer-sited capabilities, whether existing or new, for integration into the Company's demand response, energy efficiency or peak demand reduction programs, may be exempted from this Rider.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the January 18, 2017 Opinion and Order in Case No. 16-574-EL-POR.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

ECONOMIC DEVELOPMENT COST RECOVERY RIDER

Effective Cycle 1 June 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Economic Development Cost Recovery charge of 2.91116% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

ENHANCED SERVICE RELIABILITY RIDER

Effective Cycle 1 July 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Enhanced Service Reliability charge of 7.34119% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated March 28, 2018 in Case No. 18-441-EL-ATA

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

OAD – gridSMART PHASE 2 RIDER
(Open Access Distribution – gridSMART Phase 2 Rider)

Effective with the first billing cycle of March 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly gridSMART Phase 2 charge. This rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 1, 2017 Opinion and Order in Case No. 13-1939-EL-RDR.

Residential Customers	(\$0.35)
Non-Residential	\$0.16

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

Retail Stability Rider

Effective Cycle 1 March 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Retail Stability Rider charge per KWH, as follows:

Schedule	¢/KWH
RS, RS-ES, RS-TOD and RDMS	0.15421
R-R, R-R-1, RLM, RS-ES, RS-TOD, RS-TOD2, CPP and RTP	0.15421
GS-1, GS-1 TOD, FL	0.56300
GS-2 , GS-2-TOD and GS-TOD, GS-3, GS-4, EHG, EHS, SS, SBS	First 833,000 kWh 0.72504 kWh in Excess of 833,000 0.08000
SL	0.00000
AL	0.00000

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

DISTRIBUTION INVESTMENT RIDER

Effective Cycle 1 March 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Distribution Investment Rider charge of 32.29875% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, *et al.*

Filed pursuant to order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued By
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

STORM DAMAGE RECOVERY RIDER

Effective Cycle 1 June 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Storm Damage Recovery Rider credit. This Rider shall expire with the last billing cycle of June 2017.

Residential Customers	\$(0.70)/month
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Non-Residential Customers	\$(2.92)/month
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Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

RENEWABLE GENERATION RIDER

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Renewable Generation Rider of \$0.00.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June, 2018

P.U.C.O. NO. 20

ALTERNATIVE ENERGY RIDER

Ohio Power Rate Zone

Effective Cycle 1 April 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Alternative Energy Rider charge per kWh as follows:

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.27545
Primary	0.26588
Subtransmission/Transmission	0.26056

Columbus Southern Power Rate Zone

Effective Cycle 1 April 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Alternative Energy Rider charge per kWh as follows:

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.27545
Primary	0.26588
Subtransmission/Transmission	0.26056

This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June 2018

P.U.C.O. NO. 20

POWER FORWARD RIDER

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Power Forward of \$0.00.

Filed pursuant to Order dated _April 25, 2018_in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June, 2018

P.U.C.O. NO. 20

PHASE-IN RECOVERY RIDER

Effective Cycle 1 March 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Phase-In Recovery Rider charge per kWh as follows:

Ohio Power Rate Zone

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.55510
Primary	0.52890
Subtransmission/Transmission	0.51440

Columbus Southern Power Rate Zone

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.00000
Primary	0.00000
Subtransmission/Transmission	0.00000

This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: March 4, 2018

Effective: Cycle 1 June 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

SMART CITY RIDER

Effective Cycle 1 June, 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Smart City Rider charge. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the April 25, 2018 Opinion and Order in Case No. 16-1852-EL-SSO.

Residential Customers	\$0/month
Non-Residential Customers	\$0/month

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Issued by
Julia Sloat, President
AEP Ohio

Effective: Cycle 1 June , 2018

P.U.C.O. NO. 20

RIDER IRP-D EXPANDED SERVICE
(Interruptible Power – Discretionary)**Availability of Service**

Service pursuant to this rider is available to customers that have provided reasonable evidence to the Company that their electric service can be interrupted in accordance with this rider and is limited to the inclusion of agreed upon customers and load limitations established in Case No. 16-1852-EL-SSO. Customers participating in this rider shall enter into a contract with the Company, and as part of that contract shall designate the customer's firm service level and its interruptible demand of not less than 1,000 kW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this rider will be limited to 280,000 kW of which 160,000 kW of load shall be from existing customers and 120,000 kW of load shall be from customers new to the service area as ordered in Case No. 16-1852-EL-SSO. Once 160,000 kW have been enrolled, new participants or load expansions of existing customers will not be admitted into the program.

In the event of a local emergency or if the Company receives an interruption notice originating from PJM, the Company will issue an interruption notification. Each customer participating in this rider is responsible for providing and maintaining current contact information with the Company. All costs associated with providing the initial, required Customer Communications System will be borne by the customer.

Enrollment, Registration and Participation in PJM Demand Response Programs

Participation in this rider does not preclude the customer from also participating in other PJM demand response programs through a Curtailment Service Provider. Customers are permitted to retain any compensation received by PJM for their participation in those programs. Except for the first year of the IRP Expanded Service, enrollment in the IRP Expanded Service program shall be for a PJM Delivery Year at a time. Customers have an option to opt-out of their participation for any future PJM year upon timely notification. An IRP Expanded Service customer who opts-out of the program may opt-in for a future PJM year. Opt-out notification for the upcoming PJM calendar year must be provided to the Company on or before April 1st. If a customer does not opt-out by the April 1st date, they are deemed participating for the following PJM Delivery Year (June 1 through May 31).

Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of an upcoming emergency interruption, but a customer will not be required to interrupt on less than 30 minutes notice. Such notice shall specify the starting and ending hour of the interruption if known. The Company may notify the customer of interruptions of their service due to actions of PJM.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Effective: Cycle 1 June 2018

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

RIDER IRP-D EXPANDED SERVICE(Interruptible Power – Discretionary)

Failure to Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for an emergency interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each emergency interruption and the firm service level contracted for by the customer in its agreement with the Company. The rate discount will be the Demand Credit as specified in this rider.
2. If the customer materially fails two or more times during any 12-month period to interrupt load during an emergency interruption as requested by the Company, the Company further reserves the right to discontinue service to the customer under this rider.

Term of Contract

Contracts under this rider shall be made for a period of not less than one (1) PJM delivery year (June 1 through May 31) with notice to participate due by April 1st each year.

Monthly Rate

In addition to the monthly charges for service under the applicable rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

The Demand Credit shall be determined by multiplying the customer's monthly interruptible demand times the PJM Base Residual Auction market rate for the AEP Zone times 0.7. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the applicable rate schedule under which the customer receives service and the customer's designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible demand specified in its contract.

Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

In delivery years when there are no emergency or pre-emergency events, the customer agrees to provide the Company the results of any interruption tests performed in accordance with the PJM tariff as evidence of the customer's ability to interrupt. If the customer does not participate in PJM in a delivery year, the Company shall verify the customer's ability to interrupt through a comparable test. Failure to provide this testing information or failure to adequately perform during such a test shall be considered a failure to interrupt under this rider.

Participation in this rider will discontinue once the cost threshold established in Case No. 16-1852-EL-SSO is reached. The Company will calculate the values provided under the tariff and attempt to provide as much notice as possible to participating customers before the rider discontinues.

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Julia Sloat, President
AEP Ohio

SCHEDULE
CROSS REFERENCEOhio Power Rate Zone

Generation, Transmission, Distribution Service		Sheet No.	Distribution Service Only		Sheet No.
<u>RESIDENTIAL SERVICE</u>			<u>RESIDENTIAL SERVICE</u>		
Regular	RS	210-1- 210-3	All Residential	OAD-RS	210-1D- 210-4D
Energy Storage	RS-ES	211-1- 211-3			
Time-of-Day	RS-TOD	212-1- 212-2			
Demand Metered	RDMS	213-1- 213-3			
Demand Metered	RSDM	214-1 - 214-2	Demand Metered	RSDM	214-1D - 214-2D
<u>GENERAL SERVICE</u>			<u>GENERAL SERVICE</u>		
Non-Demand Metered	GS-1	220-1- 220-3	Non-Demand Metered	OAD-GS-1	220-1D- 220-3D
Low Load Factor	GS-2	221-1- 221-6	Low Load Factor	OAD-GS-2	221-1D- 221-5D
Time-of-Day	GS-TOD	222-1- 222-2			
Medium/High Load Fact	GS-3	223-1- 223-5	Medium/High Load Factor	OAD-GS-3	223-1D- 223-4D
Large	GS-4	224-1- 224-4	Large	OAD-GS-4	224-1D- 224-4D
Cogeneration	COGEN/SPP	226-1- 226-3			
Standby Service	SBS	227-1- 227-2	Standby Service	OAD-SBS	227-1D- 227-2D
Area Lighting	AL	240-1- 240-4	Area Lighting	OAD-AL	240-1D- 240-4D
Street Lighting	SL	241-1- 241-6	Street Lighting	OAD-SL	241-1D- 241-6D
Electric Heating General	EHG	242-1- 242-2	Electric Heating General	OAD-EHG	242-1D- 242-3D
Electric Heating Schools	EHS	243-1- 243-2	Electric Heating Schools	OAD-EHS	243-1D- 243-3D
School Service	SS	244-1- 244-2	School Service	OAD SS	244-1D- 244-2D

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SCHEDULE
CROSS REFERENCEColumbus Southern Power Rate Zone

Generation, Transmission, Distribution Service	Sheet No.	Distribution Service Only	Sheet No.
<u>RESIDENTIAL SERVICE</u>		<u>RESIDENTIAL SERVICE</u>	
Regular R-R	310-1- 310-4	Regular OAD-RR	310-1D- 310-4D
Small Use Load Management R-R-1	311-1- 311-4	Small Use Load Management OAD-RR1	311-1D- 311-5D
Optional Demand RLM	312-1- 312-4		
Energy Storage RS-ES	313-1- 313-3		
Time-of-Day RS-TOD	314-1- 314-2		
Experimental Residential Time-of-Day RS-TOD2	315-1- 315-2		
Experimental Direct Load Control DLC	316-1- 316-2		
Experimental Critical Peak Pricing Service CPP	317-1- 317-3		
Experimental Residential Real-Time Service RTP	318-1- 318-3		
<u>GENERAL SERVICE</u>		<u>GENERAL SERVICE</u>	
Small GS-1	320-1- 320-4	Small OAD-GS-1	320-1D- 320-3D
Low Load Factor GS-2	321-1- 321-5	Low Load Factor OAD-GS-2	321-1D- 321-4D
Time-of-Day GS-2	322-1- 322-2		
Medium Load Factor GS-3	323-1- 323-4	Medium Load Factor OAD-GS-3	323-1D- 323-4D
Large GS-4	324-1- 324-3	Large OAD-GS-4	324-1D- 324-3D
Cogeneration COGEN/SPP	326-1- 326-4		
Standby Service SBS	327-1- 327-2	Standby Service OAD-SBS	327-1D- 327-2D
Street Lighting SL	340-1- 340-4	Street Lighting OAD-SL	340-1D- 340-3D
Private Area Lighting AL	341-1- 341-4	Private Area Lighting OAD-AL	341-1D- 341-4D
<u>SUPPLEMENTS</u>		<u>SUPPLEMENTS</u>	
Church and School Service Supplement No. 18	352-1		

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SCHEDULE
CROSS REFERENCEOhio Power Rate Zone

Generation, Transmission, Distribution Service		Sheet No.	Distribution Service Only		Sheet No.
<u>RESIDENTIAL SERVICE</u>			<u>RESIDENTIAL SERVICE</u>		
Regular	RS	210-1- 210-3	All Residential	OAD-RS	210-1D- 210-4D
Energy Storage	RS-ES	211-1- 211-3			
Time-of-Day	RS-TOD	212-1- 212-2			
Demand Metered	RDMS	213-1- 213-3			
Demand Metered	RSDM	214-1 - 214-2	Demand Metered	RSDM	214-1D - 214-2D
<u>GENERAL SERVICE</u>			<u>GENERAL SERVICE</u>		
Non-Demand Metered	GS-1	220-1- 220-3	Non-Demand Metered	OAD-GS-1	220-1D- 220-3D
Low Load Factor	GS-2	221-1- 221-6	Low Load Factor	OAD-GS-2	221-1D- 221-5D
Time-of-Day	GS-TOD	222-1- 222-2			
Medium/High Load Fact	GS-3	223-1- 223-5	Medium/High Load Factor	OAD-GS-3	223-1D- 223-4D
Large	GS-4	224-1- 224-4	Large	OAD-GS-4	224-1D- 224-4D
Cogeneration	COGEN/SPP	226-1- 226-3			
Standby Service	SBS	227-1- 227-2	Standby Service	OAD-SBS	227-1D- 227-2D
Area Lighting	AL	240-1- 240-4	Area Lighting	OAD-AL	240-1D- 240-4D
Street Lighting	SL	241-1- 241-6	Street Lighting	OAD-SL	241-1D- 241-6D
Electric Heating General	EHG	242-1- 242-2	Electric Heating General	OAD-EHG	242-1D- 242-3D
Electric Heating Schools	EHS	243-1- 243-2	Electric Heating Schools	OAD-EHS	243-1D- 243-3D
School Service	SS	244-1- 244-2	School Service	OAD SS	244-1D- 244-2D

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SCHEDULE
CROSS REFERENCEColumbus Southern Power Rate Zone

Generation, Transmission, Distribution Service	Sheet No.	Distribution Service Only	Sheet No.
<u>RESIDENTIAL SERVICE</u>		<u>RESIDENTIAL SERVICE</u>	
Regular R-R	310-1- 310-4	Regular OAD-RR	310-1D- 310-4D
Small Use Load Management R-R-1	311-1- 311-4	Small Use Load Management OAD-RR1	311-1D- 311-5D
Optional Demand RLM	312-1- 312-4		
Energy Storage RS-ES	313-1- 313-3		
Time-of-Day RS-TOD	314-1- 314-2		
Experimental Residential Time-of-Day RS-TOD2	315-1- 315-2		
Experimental Direct Load Control DLC	316-1- 316-2		
Experimental Critical Peak Pricing Service CPP	317-1- 317-3		
Experimental Residential Real-Time Service RTP	318-1- 318-3		
<u>GENERAL SERVICE</u>		<u>GENERAL SERVICE</u>	
Small GS-1	320-1- 320-4	Small OAD-GS-1	320-1D- 320-3D
Low Load Factor GS-2	321-1- 321-5	Low Load Factor OAD-GS-2	321-1D- 321-4D
Time-of-Day GS-2	322-1- 322-2		
Medium Load Factor GS-3	323-1- 323-4	Medium Load Factor OAD-GS-3	323-1D- 323-4D
Large GS-4	324-1- 324-3	Large OAD-GS-4	324-1D- 324-3D
Cogeneration COGEN/SPP	326-1- 326-4		
Standby Service SBS	327-1- 327-2	Standby Service OAD-SBS	327-1D- 327-2D
Street Lighting SL	340-1- 340-4	Street Lighting OAD-SL	340-1D- 340-3D
Private Area Lighting AL	341-1- 341-4	Private Area Lighting OAD-AL	341-1D- 341-4D
<u>SUPPLEMENTS</u>		<u>SUPPLEMENTS</u>	
Church and School Service Supplement No. 18	352-1		

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SCHEDULE
CROSS REFERENCEOhio Power and Columbus Southern Power Rate Zones

Generation, Transmission, Distribution Service	Sheet No.	Distribution Service Only	Sheet No.
<u>GENERAL SERVICE</u>		<u>GENERAL SERVICE</u>	
Interruptible Power Rider – Legacy Discretionary Rider	427-1- 427-3	Interruptible Power Rider – Legacy Discretionary Rider	427-1D- 427-3D
Net Energy Metering Service NEMS	428-1- 428-2	Net Energy Metering Service OAD-NEMS	428-1D– 428-2D
Net Energy Metering Service NEMS-H	429-1- 429-2		
Pole Attachment PA	443-1- 443-2	Pole Attachment OAD-PA	443-1D- 443-3D
<u>SUPPLEMENTS</u>		<u>SUPPLEMENTS</u>	
Public Authority – Delayed Payment Supplement No. 21	453-1	Public Authority – Delayed Payment Supplement No. 21	453-1D
<u>RIDERS</u>		<u>RIDERS</u>	
PEV	430-1	PEV	430-1D
CFTS	454-1	CFTS	454-1D
Universal Service Fund	460-1	Universal Service Fund	460-1D
Bad Debt Rider	461-1	Bad Debt Rider	461-1D
KWH Tax	462-1	KWH Tax	462-1D
Residential Distribution Credit	463-1	Residential Distribution Credit	463-1D
Pilot Throughput Balancing Adjustment	464-1	Pilot Throughput Balancing Adjustment	464-1D
Deferred Asset Phase-In Rider	465-1	Deferred Asset Phase-In Rider	465-1D
Automaker Credit Rider	466-1	Automaker Credit Rider	466-1D
Generation Energy Rider	467-1		
Generation Capacity Rider	468-1- 468-2		
Auction Cost Reconciliation Rider	469-1		
Electronic Transfer	470-1	Electronic Transfer	470-1D
Competition Incentive Rider	471-1		
SSO Credit Rider	472-1	SSO Credit Rider	472-1D
Power Purchase Agreement Rider	473-1	Power Purchase Agreement Rider	473-1D
Basic Transmission Cost Rider	474-1	Basic Transmission Cost Rider	474-1D
Pilot Demand Response Rider	480-1	Pilot Demand Response Rider	480-1D
Energy Efficiency and Peak Demand Reduction Cost Recovery	481-1	Energy Efficiency and Peak Demand Reduction Cost Recovery	481-1D
Economic Development Cost Recovery	482-1	Economic Development Cost Recovery	482-1D
Enhanced Service Reliability	483-1	Enhanced Service Reliability	483-1D
gridSMART Phase 2 Rider	485-1	gridSMART Phase 2 Rider	485-1D
Retail Stability Rider	487-1	Retail Stability Rider	487-1D
Distribution Investment Rider	489-1	Distribution Investment Rider	489-1D
Storm Damage Recovery Rider	490-1	Storm Damage Recovery Rider	490-1D
Renewable Generation Rider	491-1	Renewable Generation Rider	491-1D
Alternative Energy Rider	492-1		
Power Forward Rider	493-1	Power Forward Rider	493-1D
Phase-In Recovery Rider	494-1	Phase-In Recovery Rider	494-1D

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SCHEDULE
CROSS REFERENCEOhio Power and Columbus Southern Power Rate Zones

Generation, Transmission, Distribution Service	Sheet No.	Distribution Service Only	Sheet No.
<u>GENERAL SERVICE</u>		<u>GENERAL SERVICE</u>	
Interruptible Power Rider – Legacy Discretionary Rider	427-1- 427-3	Interruptible Power Rider – Legacy Discretionary Rider	427-1D- 427-3D
Net Energy Metering Service NEMS	428-1- 428-2	Net Energy Metering Service OAD-NEMS	428-1D– 428-2D
Net Energy Metering Service NEMS-H	429-1- 429-2		
Pole Attachment PA	443-1- 443-2	Pole Attachment OAD-PA	443-1D- 443-3D
<u>SUPPLEMENTS</u>		<u>SUPPLEMENTS</u>	
Public Authority – Delayed Payment Supplement No. 21	453-1	Public Authority – Delayed Payment Supplement No. 21	453-1D
<u>RIDERS</u>		<u>RIDERS</u>	
PEV	430-1	PEV	430-1D
CFTS	454-1	CFTS	454-1D
Universal Service Fund	460-1	Universal Service Fund	460-1D
Bad Debt Rider	461-1	Bad Debt Rider	461-1D
KWH Tax	462-1	KWH Tax	462-1D
Residential Distribution Credit	463-1	Residential Distribution Credit	463-1D
Pilot Throughput Balancing Adjustment	464-1	Pilot Throughput Balancing Adjustment	464-1D
Deferred Asset Phase-In Rider	465-1	Deferred Asset Phase-In Rider	465-1D
Automaker Credit Rider	466-1	Automaker Credit Rider	466-1D
Generation Energy Rider	467-1		
Generation Capacity Rider	468-1- 468-2		
Auction Cost Reconciliation Rider	469-1		
Electronic Transfer	470-1	Electronic Transfer	470-1D
Competition Incentive Rider	471-1		
SSO Credit Rider	472-1	SSO Credit Rider	472-1D
Power Purchase Agreement Rider	473-1	Power Purchase Agreement Rider	473-1D
Basic Transmission Cost Rider	474-1	Basic Transmission Cost Rider	474-1D
Pilot Demand Response Rider	480-1	Pilot Demand Response Rider	480-1D
Energy Efficiency and Peak Demand Reduction Cost Recovery	481-1	Energy Efficiency and Peak Demand Reduction Cost Recovery	481-1D
Economic Development Cost Recovery	482-1	Economic Development Cost Recovery	482-1D
Enhanced Service Reliability	483-1	Enhanced Service Reliability	483-1D
gridSMART Phase 2 Rider	485-1	gridSMART Phase 2 Rider	485-1D
Retail Stability Rider	487-1	Retail Stability Rider	487-1D
Distribution Investment Rider	489-1	Distribution Investment Rider	489-1D
Storm Damage Recovery Rider	490-1	Storm Damage Recovery Rider	490-1D
Renewable Generation Rider	491-1	Renewable Generation Rider	491-1D
Alternative Energy Rider	492-1		
Power Forward Rider	493-1	Power Forward Rider	493-1D
Phase-In Recovery Rider	494-1	Phase-In Recovery Rider	494-1D

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SCHEDULE
CROSS REFERENCE

Smart City Rider	495-1	Smart City Rider	495-1D
Interruptible Power Rider – Expanded Service Discretionary Rider	496-1	Interruptible Power Rider – Expanded Service Discretionary Rider	496-1D

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	Ohio Power & Columbus Southern Power Rate Zones		
	Cross Reference	101-1D thru 101-3D	Cycle 1 June 2018
	Table of Contents	101-4D thru 101-5D	Cycle 1 June 2018
	List of Communities Served	102-1D thru 102-9D	January 1, 2012
	Terms and Conditions of Service	103-1D thru 103-72D	Cycle 1 June 2018
	Applicable Riders	104-1D	Cycle 1 June 2018
	Ohio Power Rate Zone		
OAD-RS	Residential Service	210-1D thru 210-4D	June 1, 2015
OAD-RSDM	Residential Service – Demand Metered	214-1D thru 214-2D	Cycle 1 June 2018
OAD-GS-1	General Service – Non-Demand Metered	220-1D thru 220-3D	June 1, 2015
OAD-GS-2	General Service - Low Load Factor	221-1D thru 221-5D	June 1, 2015
OAD-GS-3	General Service – Medium/High Load Factor	223-1D thru 223-4D	June 1, 2015
OAD-GS-4	General Service – Large	224-1D thru 224-4D	June 1, 2015
OAD-SBS	Standby Service	227-1D thru 227-2D	June 1, 2015
OAD-AL	Area Lighting	240-1D thru 240-4D	January 1, 2012
OAD-SL	Street Lighting	241-1D thru 241-6D	January 1, 2012
OAD-EHG	Electric Heating General	242-1D thru 242-3D	June 1, 2015
OAD-EHS	Electric Heating Schools	243-1D thru 243-2D	June 1, 2015
OAD-SS	School Service	244-1D thru 244-2D	June 1, 2015
	Columbus Southern Power Rate Zone		
OAD-R-R	Residential Service	310-1D thru 310-4D	June 1, 2015
OAD-RR1	Residential Small Use Load Management Service	311-1D thru 311-5D	June 1, 2015
OAD-RSDM	Residential Service – Demand Metered	319-1D thru 319-2D	Cycle 1, June 2018
OAD-GS-1	General Service – Small	320-1D thru 320-3D	June 1, 2015
OAD-GS-2	General Service – Low Load Factor	321-1D thru 321-4D	June 1, 2015
OAD-GS-3	General Service – Medium Load Factor	323-1D thru 323-4D	June 1, 2015
OAD-GS-4	General Service – Large	324-1D thru 324-3D	June 1, 2015
OAD-SBS	Standby Service	327-1D thru 327-2D	June 1, 2015
OAD-SL	Street Lighting	340-1D thru 340-4D	January 1, 2012
OAD-AL	Private Area Lighting	341-1D thru 341-4D	January 1, 2012
	Ohio Power & Columbus Southern Power Rate Zones		
IRP-L	Interruptible Power Rider – Legacy Discretionary Rider	427-1D thru 427-3D	Cycle 1 June 2018
OAD-NEMS	Net Energy Metering Service	428-1D thru 428-2D	January 1, 2012
PEV	Pilot Plug-In Electric Vehicles	430-1D	Cycle 1 June 2018
OAD-PA	Pole Attachment	443-1D thru 443-3D	April 12, 2017
OAD-Supp. No. 21	Public Authority – Delayed Payment	453-1D	January 1, 2012

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Schedule		Sheet No(s)	Effective Date
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	KWH Tax Rider	462-1D	January 1, 2012
	Residential Distribution Credit Rider	463-1D	Cycle 1 June 2018
	Pilot Throughput Balancing Adjustment Rider	464-1D	Cycle 1 June 2018
	Deferred Asset Phase-In Rider	465-1D	Cycle 1 June 2018
	Automaker Credit Rider	466-1D	Cycle 1 June 2018
	Electronic Transfer Rider	470-1D	January 1, 2012
	SSO Credit Rider	472-1D	Cycle 1 June 2018
	Power Purchase Agreement Rider	473-1D	Cycle 1 June 2018
	Basic Transmission Cost Rider	474-1D	Cycle 1 June 2018
	Pilot Demand Response Rider	480-1D	Cycle 1 June 2018
	Energy Efficiency and Peak Demand	481-1D	Cycle 1 June 2018
	Economic Development Cost Recovery Rider	482-1D	Cycle 1 June 2018
	Enhanced Service Reliability Rider	483-1D	Cycle 1 June 2018
	gridSMART Phase 2 Rider	485-1D	Cycle 1 June 2018
	Retail Stability Rider	487-1D	Cycle 1 June 2018
	Distribution Investment Rider	489-1D	Cycle 1 June 2018
	Storm Damage Recovery Rider	490-1D	Cycle 1 June 2018
	Renewable Generation Rider	491-1D	Cycle 1 June 2018
	Power Forward Rider	493-1D	Cycle 1 June 2018
	Phase-In Recovery Rider	494-1D	Cycle 1 June 2018
	Smart City Rider	495-1D	Cycle 1 June 2018
IRP-E	Interruptible Power Rider – Expanded Service Discretionary Rider	496-1D thru 496-2D	Cycle 1 June 2018

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Applicable Riders

Rider Description	Ohio Power Rate Zone		Columbus Southern Power Rate Zone		Sheet No.
	Standard Service	Open Access Distribution Service	Standard Service	Open Access Distribution Service	
Interruptible Power Rider – Legacy Discretionary Rider	Yes	Yes	Yes	Yes	427-1D
Pilot Plug-In Electric Vehicles	Yes	Yes	Yes	Yes	430-1D
County Fair Transmission Supplement	Yes	Yes	Yes	Yes	454-1D
Universal Service Fund Rider	Yes	Yes	Yes	Yes	460-1D
Bad Debt Rider	Yes	Yes	Yes	Yes	461-1D
KWH Tax Rider	Yes	Yes	Yes	Yes	462-1D
Residential Distribution Credit Rider	Yes	Yes	Yes	Yes	463-1D
Pilot Throughput Balancing Adjustment Rider	Yes	Yes	Yes	Yes	464-1D
Deferred Asset Phase-In Rider	Yes	Yes	Yes	Yes	465-1D
Automaker Credit Rider	Yes	Yes	Yes	Yes	466-1D
Generation Energy Rider	Yes		Yes		
Generation Capacity Rider	Yes		Yes		
Auction Cost Reconciliation Rider	Yes		Yes		
Electronic Transfer Rider	Yes	Yes	Yes	Yes	470-1D
Competition Incentive Rider	Yes		Yes		
SSO Credit Rider	Yes	Yes	Yes	Yes	472-1D
Power Purchase Agreement Rider	Yes	Yes	Yes	Yes	473-1D
Basic Transmission Cost Rider	Yes	Yes	Yes	Yes	474-1D
Pilot Demand Response Rider	Yes	Yes	Yes	Yes	480-1D
Energy Efficiency and Peak Demand Reduction Cost Recovery Rider	Yes	Yes	Yes	Yes	481-1D
Economic Development Cost Recovery Rider	Yes	Yes	Yes	Yes	482-1D
Enhanced Service Reliability Rider	Yes	Yes	Yes	Yes	483-1D
gridSMART [®] Phase 2 Rider	Yes	Yes	Yes	Yes	485-1D
Distribution Investment Rider	Yes	Yes	Yes	Yes	489-1D
Storm Damage Recovery Rider	Yes	Yes	Yes	Yes	490-1D
Renewable Generation Rider	Yes	Yes	Yes	Yes	491-1D
Alternative Energy Rider	Yes		Yes		
Power Forward Rider	Yes	Yes	Yes	Yes	493-1D

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Applicable Riders

Phase-In Recovery Rider	Yes	Yes	Yes	Yes	494-1D
Smart City Rider	Yes	Yes	Yes	Yes	495-1D
Interruptible Power Rider – Expanded Service Discretionary Rider	Yes	Yes	Yes	Yes	496-1D

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OAD - SCHEDULE RS D
(Open Access Distribution - Residential Service – Demand-Metered)

Availability of Service

Available for residential service through one meter to individual residential customers.

Monthly Rate (Schedule Codes 010)

	Distribution
Customer Charge (\$)	8.40
Monthly Demand Charge (\$ per KW)	3.17

Monthly Billing Demand

Energy supplied hereunder will be delivered through not more than 1 single-phase or 1 poly-phase meter. Billing demand in KW shall be taken each month as the single highest 30-minute integrated peak in KW as registered during the month by a 30-minute integrating demand meter or indicator.

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge and all applicable riders.

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OAD - SCHEDULE RS D
(Open Access Distribution - Residential Service – Demand-Metered)

Payment

Bills are due and payable in full by mail, checkless payment plan, electronic payment plan or at an authorized payment agent of the Company within 15 days after the mailing of the bill.

Applicable Riders

Monthly Charges computed under this schedule shall be adjusted in accordance with the Commission-approved riders on Sheet Number 104-1.

Term of Contract

A written agreement may, at the Company's option, be required.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

This schedule is available to customers engaged in agricultural enterprises where service is taken through 1 meter for that customer's primary residence, and not more than 100 KW of connected electrical load is outside the residence. This schedule is not extended to operations of a commercial nature or operations such as processing, preparing, or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

This schedule is intended for single-phase service. Where the residential customer requests 3-phase service, this schedule will apply if the customer pays to the Company the difference between constructing single-phase and 3-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service schedule will apply to such service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP, Schedule NEMS, or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under the applicable Residential Schedule or Schedule NEMS. At its discretion, the Company may require that Company-owned metering be installed to monitor the customer's generation. The Company reserves the right to inspect the customer's relays and protective equipment at all reasonable times.

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P.U.C.O. NO. 20

OAD -SCHEDULE RS D
(Open Access Distribution -Residential Service – Demand-Metered)

Availability of Service

Available for residential service through one meter to individual residential customers.

Monthly Rate (Schedule Codes 010)

	Distribution
Customer Charge (\$)	8.40
Monthly Demand Charge (\$ per KW)	3.17

Monthly Billing Demand

Energy supplied hereunder will be delivered through not more than 1 single-phase or 1 poly-phase meter. Billing demand in KW shall be taken each month as the single highest 30-minute integrated peak in KW as registered during the month by a 30-minute integrating demand meter or indicator.

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge and all applicable riders.

Filed pursuant to Order dated April 25, 2018, 2018 in Case No. 16-1852-EL-SSO

Issued: May 4, 2018

Effective: Cycle 1 June, 2018

Issued by
Julie Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD -SCHEDULE RS D
(Open Access Distribution - Residential Service – Demand-Metered)

Payment

Bills are due and payable in full by mail, checkless payment plan, electronic payment plan or at an authorized payment agent of the Company within 15 days after the mailing of the bill.

Applicable Riders

Monthly Charges computed under this schedule shall be adjusted in accordance with the Commission-approved riders on Sheet Number 104-1.

Term of Contract

A written agreement may, at the Company's option, be required.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

This schedule is available to customers engaged in agricultural enterprises where service is taken through 1 meter for that customer's primary residence, and not more than 100 KW of connected electrical load is outside the residence. This schedule is not extended to operations of a commercial nature or operations such as processing, preparing, or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

This schedule is intended for single-phase service. Where the residential customer requests 3-phase service, this schedule will apply if the customer pays to the Company the difference between constructing single-phase and 3-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service schedule will apply to such service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP, Schedule NEMS, or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under the applicable Residential Schedule or Schedule NEMS. At its discretion, the Company may require that Company-owned metering be installed to monitor the customer's generation. The Company reserves the right to inspect the customer's relays and protective equipment at all reasonable times.

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Julie Sloat, President
AEP Ohio

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P.U.C.O. NO. 20

OAD - RIDER IRP-D Legacy
(Open Access Distribution - Interruptible Power - Discretionary)Availability of Service

Service pursuant to this rider is available to legacy customers who have remained participants in the IRP-D program continuously since 2015 and have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Legacy customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity.

The interruptible power contract capacity for all legacy customers served under this rider, contracts and agreements offered by the Company will be limited to 200,000 kW total in the Company's Ohio service area. Each legacy customer is limited to the amount of interruptible service currently under contract. If a legacy customer reduces the amount of interruptible load under contract, the new lower interruptible contract volume shall be the maximum amount of interruptible service eligible for this service.

In the event of a local emergency or if the Company receives an interruptible notice originating from PJM, the Company will issue an interruption notification. Each customer participating in this rider is responsible for providing and maintaining current contract information with the Company. All costs associated with providing the required Customer Communications System will be borne by the legacy customer.

Interruption Notice

The Company will endeavor to provide the customer with as much advance notice as reasonably possible of an upcoming emergency interruption. Such notice shall specify the starting and ending hour of the interruption if known. If an emergency situation requires an immediate action by AEP Ohio, the customer will be required to interrupt service immediately. The Company may notify the legacy customer of interruptions of their service due to actions of the regional transmission organization.

Failure to Comply With A Request For Interruption

1. If the legacy customer fails to interrupt load as requested by the Company for an emergency interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each emergency interruption and the sum of the legacy customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the Demand Credit as specified in this rider.
2. If the legacy customer fails to interrupt load as requested by the Company during an emergency interruption, the Company further reserves the right to:
 - a) Interrupt the customer's entire interruptible load.

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Julia Sloat, President
AEP Ohio

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P.U.C.O. NO. 20

OAD - RIDER IRP-D Legacy
(Open Access Distribution - Interruptible Power - Discretionary)

Failure to Comply With A Request For Interruption (Cont'd)

- b) Discontinue service to the customer under this rider if the customer fails to interrupt load twice during any 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this rider, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

Contracts under this rider shall be made for a period of not less than one (1) PJM delivery year (June 1 through May 31) with notice to participate due by April 1st each year.

Capacity Payment Contributions

- Each legacy customer shall bid its eligible interruptible capacity in either the PJM Base Residual Auction or a PJM Incremental Auction. Capacity and emergency energy revenues net of administrative fees obtained from such capacity contract(s) sales shall be paid to the Company for distribution in equal measure to the Energy Efficiency and Peak Demand Reduction Cost Recovery Rider and the Economic Development Rider. Failure by the legacy customer to properly account for, document when requested, and make full payment of capacity and emergency energy revenues to AEP Ohio may result in dismissal from the program and request for full payment with reasonable interest.
- Each legacy customer may continue to act as their own curtailment service provider or employ a PJM qualified curtailment service provider so long as the legacy customer, as a condition of continued participation in the program, actively bid their interruptible capacity into the PJM auctions, and stand ready to account for and document the collection and payment to AEP Ohio of the interruptible capacity and emergency energy revenues. The Legacy Customer program will sunset with the June 1, 2024 billing cycle.

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

Generation Demand Credit (\$ per KW)

Service Years	Prior to-	Beginning
	June 1, 2018	June 1, 2018
Subtransmission	(8.21)	(9.00)
Transmission	(8.21)	(9.00)

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AEP Ohio

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P.U.C.O. NO. 20

OAD - RIDER IRP-D Legacy
(Open Access Distribution - Interruptible Power - Discretionary)

The Demand Credit shall apply to the customer's monthly interruptible demand. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the standard service rate schedule under which the customer receives service and the customer designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible service contract capacity.

Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

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Julia Sloat, President
AEP Ohio

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P.U.C.O. NO. 20

OAD - SCHEDULE PEV
(Open Access Distribution - Pilot Plug-In Electric Vehicle Schedule)

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Schedule PEV of \$0.00.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

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AEP Ohio

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P.U.C.O. NO. 20

OAD - COUNTY FAIR TRANSMISSION SUPPLEMENT
(Open Access Distribution - Transmission Rider Classification for County Fair Accounts)

Availability

This Supplement shall apply to county fairs. It shall not be available to any customer receiving service pursuant to the terms of a special contract.

Account Classification for Basic Transmission Cost Rider

For purposes of the Basic Transmission Cost Rider, accounts receiving service under this rider shall be billed the Non Demand Metered class rate per kWh.

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AEP Ohio

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P.U.C.O. NO. 20

OAD -UNIVERSAL SERVICE FUND RIDER
(Open Access Distribution – Universal Service Fund Rider)

Ohio Power Rate Zone

Effective Cycle 1 January 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Universal Service Fund charge of 0.34648¢/KWH for the first 833,000 KWH consumed each month and 0.01681¢/KWH for all KWH consumed each month in excess of 833,000 KWH.

Columbus Southern Power Rate Zone

Effective Cycle 1 January 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Universal Service Fund charge of 0.25116¢/KWH for the first 833,000 KWH consumed each month and 0.01830¢/KWH for all KWH consumed each month in excess of 833,000 KWH.

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P.U.C.O. NO. 20

OAD – BAD DEBT RIDER
(Open Access Distribution – Bad Debt Rider)

Effective June 1, 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Bad Debt charge of \$0.00.

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P.U.C.O. NO. 20

OAD – RESIDENTIAL DISTRIBUTION CREDIT RIDER
(Open Access Distribution - Residential Distribution Credit Rider)

Effective January 1, 2012, all customer bills subject to the provision of this Rider, including any bills rendered under special contract, shall be adjusted by the Residential Distribution Credit Rider credit of 3.5807% of base distribution revenue.

P.U.C.O. NO. 20

Pilot Throughput Balancing Adjustment Rider
(Open Access Distribution – Pilot Throughput Balancing Adjustment Rider)

Effective July 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Pilot Throughput Balancing Adjustment Rider charge per kWh as follows:

Ohio Power Rate Zone

Schedule	¢/KWH
RS, RS-ES, RS-TOD, RDMS, R-R, R-R-1, RLM, RS-TOD2, CPP, RTP	0.16448
GS-1	0.01931

Columbus Southern Power Rate Zone

Schedule	¢/KWH
RS, RS-ES, RS-TOD, RDMS, R-R, R-R-1, RLM, RS-TOD2, CPP, RTP	0.17283
GS-1, GS1-TOD	0.07564

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P.U.C.O. NO. 20
OAD - DEFERRED ASSET PHASE-IN RIDER
(Open Access Distribution - Deferred Asset Phase-In Rider)

Effective August 1, 2017 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Deferred Asset Phase-In Rider charge of 7.81% of the customer's base distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission as set forth in the financing order in Case No. 12-1969-EL-ATS.

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AEP Ohio

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P.U.C.O. NO. 20

OAD - AUTOMAKER CREDIT RIDER
(Open Access Distribution – Automaker Credit Rider)Availability

This rider is available to customers utilizing or expanding automaker facilities. For purposes of this rider, “automaker” shall refer to a company that manufactures automobiles.

Eligible customers must contact the Company to participate in this rider. Eligible customers that elect to participate will remain subject to this rider until providing the Company with notice of termination of participation.

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive an Energy Credit of \$0.01 per kWh for all monthly kWh consumption above the customer’s monthly baseline consumption, subject to the Rider Annual Cap. Monthly charges for all kWh consumption at or below the customer’s monthly baseline consumption shall be priced according to the customer’s standard service rate schedule.

Baseline Consumption

A customer’s monthly baseline consumption shall be equal to one-twelfth of the customer’s calendar year 2009 annual usage.

Rider Annual Cap

Total credits under this rider for all customers combined shall not exceed \$500,000 in any calendar year. In the event that one or more monthly customer bills contain kWh consumption which would cause the total calendar year credits under this rider to exceed the Annual Cap, the Company will divide the remaining credits under the Annual Cap equally among eligible customer bills for that month.

Special Terms and Conditions

This rider is subject to the Company’s Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

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P.U.C.O. NO. 20

OAD - SSO CREDIT RIDER
(Open Access Distribution – SSO Credit Rider)

Effective Cycle 1 June 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the SSO Credit Rider as follows:

Schedule	¢/kWh
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	(0.0)
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	(0.0)
Demand Metered Secondary GS-2 GS-3 EHG	(0.0)
Demand Metered Primary GS-2 GS-3 GS-4	(0.0)
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	(0.0)
Lighting AL SL	0.00000

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AEP Ohio

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P.U.C.O. NO. 20

OAD - POWER PURCHASE AGREEMENT RIDER
(Open Access Distribution – Power Purchase Agreement Rider)

Effective Cycle 1 April 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract shall be adjusted by the monthly Power Purchase Agreement charge as follows:

Schedule	¢/kWh
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	0.09773
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	0.05929
Demand Metered Secondary GS-2 GS-3 EHG	0.06003
Demand Metered Primary GS-2 GS-3 GS-4	0.04979
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	0.03835
Lighting AL SL	0.00000

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al. and the March 31, 2016 Opinion and Order in Case No. 14-1693-EL-RDR.

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P.U.C.O. NO. 20

OAD - BASIC TRANSMISSION COST RIDER

(Open Access Distribution - Basic Transmission Cost Rider)

Effective Cycle 1 April 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Basic Transmission Cost charge per kW and/or kWh as follows:

Schedule	¢/kWh	\$/kW
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	2.37790	
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	1.72373	
Demand Metered Secondary GS-2 GS-3	0.05135	5.74
Demand Metered Primary GS-2 GS-3 GS-4	0.04956	6.02
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	0.04857	5.49
Lighting AL SL	0.05135	
Interim Pilot 1CP Secondary	0.05135	7.92
Interim Pilot 1CP Primary	0.04956	7.65
Interim Pilot 1CP Subtransmission/Transmission	0.04857	7.49

The Interim Pilot 1CP Demand rates for the Basic Transmission Cost Rider are limited to availability as established in Case No. 10-2929-EL-UNC et al. The monthly \$/kW for the Interim Pilot 1CP Basic Transmission rate will be based on the participating customer's demand during the single zonal transmission peak. The 1CP will be changed each January based on the customer's contribution to the single zonal transmission peak during the previous year.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the flow through impact to this Rider of changes to the Open Access Transmission Tariff approved by the Federal Energy Regulatory Commission (including changes related to the Tax Cuts and Jobs Act of 2017) or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

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Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

OAD – PILOT DEMAND RESPONSE RIDER
(Open Access Distribution – Pilot Demand Response Rider)

Pursuant to Commission order, this is merely a placeholder rider and no cost allocation or recovery shall occur at this time.

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Issued by
Julia Sloat, President
AEP Ohio

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P.U.C.O. NO. 20

OAD – ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION COST RECOVERY RIDER
(Open Access Distribution – Energy Efficiency and Peak Demand Reduction Cost Recovery Rider)

Effective Cycle 1 June 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Energy Efficiency and Peak Demand Reduction Cost Recovery charge as follows:

Class	\$/bill	\$/kWh	\$/kW	% of base distribution
Residential		0.0032966		
General Service Non Demand Metered	4.14	-0.0010504		
General Service Demand Metered		-0.0010504	0.90	
Lighting		0.0002131		6.64819%

If approved by the Commission, mercantile customers that have committed their demand response or other customer-sited capabilities, whether existing or new, for integration into the Company's demand response, energy efficiency or peak demand reduction programs, may be exempted from this Rider.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the January 18, 2017 Opinion and Order in Case No. 16-574-EL-POR.

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AEP Ohio

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P.U.C.O. NO. 20

OAD – ECONOMIC DEVELOPMENT COST RECOVERY RIDER
(Open Access Distribution – Economic Development Cost Recovery Rider)

Effective Cycle 1 June 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Economic Development Cost Recovery charge of 2.91116% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

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OAD – ENHANCED SERVICE RELIABILITY RIDER
(Open Access Distribution – Enhanced Service Reliability Rider)

Effective Cycle 1 July 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Enhanced Service Reliability charge of 7.34119% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.

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AEP Ohio

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P.U.C.O. NO. 20

OAD – gridSMART PHASE 2 RIDER
(Open Access Distribution – gridSMART Phase 2 Rider)

Effective with the first billing cycle of March 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly gridSMART Phase 2 charge. This rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 1, 2017 Opinion and Order in Case No. 13-1939-EL-RDR.

Residential Customers	(\$0.35)
Non-Residential	\$0.16

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AEP Ohio

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P.U.C.O. NO. 20

OAD -Retail Stability Rider
(Open Access Distribution – Retail Stability Rider)

Effective Cycle 1 March 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Retail Stability Rider charge per KWH, as follows:

Schedule	¢/KWH
RS, RS-ES, RS-TOD and RDMS	0.15421
R-R, R-R-1, RLM, RS-ES, RS-TOD, RS-TOD2, CPP and RTP	0.15421
GS-1, GS-1 TOD, FL	0.56300
GS-2 , GS-2-TOD and GS-TOD, GS-3, GS-4, EHG, EHS, SS, SBS	First 833,000 kWh 0.72504 kWh in Excess of 833,000 0.08000
SL	0.00000
AL	0.00000

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P.U.C.O. NO. 20

OAD - DISTRIBUTION INVESTMENT RIDER
(Open Access Distribution- Distribution Investment Rider)

Effective Cycle 1 March 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Distribution Investment Rider charge of 32.29875% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, *et al.*

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AEP Ohio

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P.U.C.O. NO. 20

OAD – STORM DAMAGE RECOVERY RIDER
(Open Access Distribution – Storm Damage Recovery Rider)

Effective Cycle 1 June 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Storm Damage Recovery Rider credit. This Rider shall expire with the last billing cycle of June 2017.

Residential Customers	\$(0.70)/month
Non-Residential Customers	\$(2.92)/month

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AEP Ohio

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P.U.C.O. NO. 20

OAD- RENEWABLE GENERATION RIDER
(Open Access Distribution – Renewable Generation Rider)

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Renewable Generation Rider of \$0.00.

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P.U.C.O. NO. 20

OAD - POWER FORWARD RIDER
(Open Access Distribution – Power Forward Rider)

Effective Cycle 1 June 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Power Forward of \$0.00.

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OAD – PHASE-IN RECOVERY RIDER
(Open Access Distribution – Phase-In Recovery Rider)

Effective Cycle 1 March 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Phase-In Recovery Rider charge per kWh as follows:

Ohio Power Rate Zone

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.55510
Primary	0.52890
Subtransmission/Transmission	0.51440

Columbus Southern Power Rate Zone

<u>Delivery Voltage</u>	<u>Charge (¢/kWh)</u>
Secondary	0.00000
Primary	0.00000
Subtransmission/Transmission	0.00000

This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

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AEP Ohio

P.U.C.O. NO. 20

OAD-SMART CITY RIDER
(Open Access Distribution – Smart City Rider)

Effective Cycle 1 June, 2018, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Smart City Rider charge. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. This rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the April 25, 2018 Opinion and Order in Case No. 16-1852-EL-SSO.

Residential Customers	\$0/month
Non-Residential Customers	\$0/month

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Julia Sloat, President
AEP Ohio

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P.U.C.O. NO. 20

OAD - RIDER IRP-D EXPANDED SERVICE
(Open Access Distribution - Interruptible Power – Discretionary)

Availability of Service

Service pursuant to this rider is available to customers that have provided reasonable evidence to the Company that their electric service can be interrupted in accordance with this rider and is limited to the inclusion of agreed upon customers and load limitations established in Case No. 16-1852-EL-SSO. Customers participating in this rider shall enter into a contract with the Company, and as part of that contract shall designate the customer's firm service level and its interruptible demand of not less than 1,000 kW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this rider will be limited to 280,000 kW of which 160,000 kW of load shall be from existing customers and 120,000 kW of load shall be from customers new to the service area as ordered in Case No. 16-1852-EL-SSO. Once 160,000 kW have been enrolled, new participants or load expansions of existing customers will not be admitted into the program.

In the event of a local emergency or if the Company receives an interruption notice originating from PJM, the Company will issue an interruption notification. Each customer participating in this rider is responsible for providing and maintaining current contact information with the Company. All costs associated with providing the initial, required Customer Communications System will be borne by the customer.

Enrollment, Registration and Participation in PJM Demand Response Programs

Participation in this rider does not preclude the customer from also participating in other PJM demand response programs through a Curtailment Service Provider. Customers are permitted to retain any compensation received by PJM for their participation in those programs. Except for the first year of the IRP Expanded Service, enrollment in the IRP Expanded Service program shall be for a PJM Delivery Year at a time. Customers have an option to opt-out of their participation for any future PJM year upon timely notification. An IRP Expanded Service customer who opts-out of the program may opt-in for a future PJM year. Opt-out notification for the upcoming PJM calendar year must be provided to the Company on or before April 1st. If a customer does not opt-out by the April 1st date, they are deemed participating for the following PJM Delivery Year (June 1 through May 31).

Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of an upcoming emergency interruption, but a customer will not be required to interrupt on less than 30 minutes notice. Such notice shall specify the starting and ending hour of the interruption if known. The Company may notify the customer of interruptions of their service due to actions of PJM.

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OAD - RIDER IRP-D EXPANDED SERVICE(Open Access Distribution - Interruptible Power – Discretionary)

Failure to Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for an emergency interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each emergency interruption and the firm service level contracted for by the customer in its agreement with the Company. The rate discount will be the Demand Credit as specified in this rider.
2. If the customer materially fails two or more times during any 12-month period to interrupt load during an emergency interruption as requested by the Company, the Company further reserves the right to discontinue service to the customer under this rider.

Term of Contract

Contracts under this rider shall be made for a period of not less than one (1) PJM delivery year (June 1 through May 31) with notice to participate due by April 1st each year.

Monthly Rate

In addition to the monthly charges for service under the applicable rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

The Demand Credit shall be determined by multiplying the customer's monthly interruptible demand times the PJM Base Residual Auction market rate for the AEP Zone times 0.7. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the applicable rate schedule under which the customer receives service and the customer's designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible demand specified in its contract.

Special Terms and Conditions

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

In delivery years when there are no emergency or pre-emergency events, the customer agrees to provide the Company the results of any interruption tests performed in accordance with the PJM tariff as evidence of the customer's ability to interrupt. If the customer does not participate in PJM in a delivery year, the Company shall verify the customer's ability to interrupt through a comparable test. Failure to provide this testing information or failure to adequately perform during such a test shall be considered a failure to interrupt under this rider.

Participation in this rider will discontinue once the cost threshold established in Case No. 16-1852-EL-SSO is reached. The Company will calculate the values provided under the tariff and attempt to provide as much notice as possible to participating customers before the rider discontinues.

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Attachment C – Redlined Supplier Tariffs

P.U.C.O. NO. 20

TERMS AND CONDITIONS OF
OPEN ACCESS DISTRIBUTION SERVICE

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2. APPLICATION FOR SERVICE

These terms and conditions of service apply to service under the Company's open access distribution schedules which provide for distribution service, irrespective of the voltage level at which service is taken, from the Company, as provided for in Sections 4928.15 and 4928.40, Ohio Revised Code.

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OPEN ACCESS DISTRIBUTION SERVICE

Distribution service shall be made available to a prospective customer within this Company's area of service upon request or execution of a contract therefore and its acceptance by an officer or authorized representative of the Company.

The character of distribution service and the rates, rules, terms, regulations and conditions shall be in accordance with P.U.C.O. No. 20, the supplements thereto and revisions thereof applying to the particular type of service and locality for which such contract or application is made.

3. CONDITIONS OF SERVICE

Before the Company shall be required to furnish distribution service, the Company may require that the customer submit written specifications of electrical apparatus to be operated by service and to furnish the Company a site plan that shows the address, orientation of the building, the location of the meter on the building, and the square footage of the building. The Company reserves the right to specify the service characteristics, including the point of delivery and metering.

Written agreements will be required prior to providing service if stipulated in the applicable rate schedule or the customer has unusual or special service characteristics. If the customer refuses to sign a written agreement, an agreement will still be effective as if the customer had signed and said customer will be charged under the appropriate schedule. A copy of the written agreement, contained on a form provided by the Company, will be furnished to the customer upon request at any time during the term of the agreement.

When the customer desires delivery of energy at more than one (1) point, each separate point of delivery shall be considered a Contract Location and shall be metered and billed under a separate request or contract for service. Each delivery point will be billed separately under the applicable schedule. Separate written agreements, if required under the above paragraph, will be made for each point of delivery. If the Company requires separate points of delivery, for like service, to meet the customer's electrical requirements at a single Contract location, the metering for two or more points of delivery may be combined for billing under the applicable tariff.

4. AVAILABLE RATES

A copy of these Terms and Conditions of Open Access Distribution Service and the open access distribution schedules applicable to the customer's class of business will be furnished upon request and the customer shall elect upon which applicable schedule the customer desires to be served.

If the customer can meet the requirements of more than one open access distribution schedule, the Company will endeavor to advise the customer as to which open access distribution schedule is the most advantageous for the prospective service. The customer shall then select the open access distribution schedule upon which the contract for distribution service shall be based. The Company under no circumstances guarantees that the rate under which a customer is billed is the most favorable open access distribution rate.

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The customer may change the initial open access distribution schedule selection to another applicable open access distribution schedule at any time by either written notice to the Company and/or by executing a new contract for the open access distribution schedule selected, provided that the application of such subsequent selection shall continue for twelve (12) months before any other selection may be made, except when an existing rate is modified or a new open access distribution schedule is offered.

A customer may not change from one (1) open access distribution schedule to another during the term of contract except with the consent of the Company.

5. COMPANY'S AGENTS NOT EMPOWERED TO CHANGE TARIFFS

No agent or employee of the Company has authority to amend, modify, alter the application, rates, terms, conditions, rules or regulations of the Company on file with the Commission, or to make any promises or representations not contained in P.U.C.O. No. 20 supplements thereto and revisions thereof.

6. CHANGE OF RATES OR REGULATIONS

Rules and Regulations and rates contained herein are subject to cancellation or modification upon order or permission of the Public Utilities Commission of Ohio.

7. INSPECTIONS

It is to the interest of the customer to properly install and maintain the customer's wiring and electrical equipment and the customer shall at all times be responsible for the character and condition thereof. It is the customer's responsibility to assure that all inside wiring is grounded and is otherwise in accordance with the requirements of the National Electrical Code. The Company makes no inspection thereof and in no event shall be responsible therefore.

Where a customer's premises are located in a municipality or other governmental subdivision where inspection laws or ordinances are in effect, the Company may withhold furnishing service to new installations until it has received evidence that the inspection laws or ordinances have been complied with. In addition, if such municipality or other governmental subdivision shall determine that such inspection laws or ordinances are no longer being complied with in respect to an existing installation, the Company may suspend the furnishing of service thereto until it has received evidence of compliance with such laws or ordinances. The Company may disconnect electric distribution service to a premise where unsafe conditions exist.

Where the customer's premises are located outside of an area where inspection service is in effect, the Company may require the delivery by the customer to the Company of an agreement duly signed by the owner and tenant of the premises authorizing the connection to the wiring system of the customer and assuming responsibility therefore.

No responsibility shall attach to the Company because of any waiver of these requirements.

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8. LOCATION AND MAINTENANCE OF COMPANY'S EQUIPMENT

The Company shall have the right to erect and maintain its poles, lines, circuits and other necessary facilities on the customer's property, and to place and maintain its transformers and other apparatus on the property or within the buildings of the customer at convenient locations. The customer shall keep Company equipment clear from obstruction and obstacles including landscaping, structures, etc., and allow the use of suitable space for the installation and maintenance of necessary measuring instruments so that the latter may be protected from damage.

The customer shall provide suitable space and access to same, for the installation, repair and maintenance of necessary measuring instruments and other facilities, so that they may be protected from injury by the elements or through the negligence or deliberate acts of the customer or of any employee of the same, or any other party.

Company owned transformers and appurtenances placed on the property or within the building shall be housed in accordance with the National Electrical Code in a suitable room or vault provided by the customer and, when installed outside upon a mat or slab, shall be protected by an enclosure erected by the customer to guard against loss, damage or injury to persons or property.

9. SERVICE CONNECTIONS

The Company will, when requested to furnish service, designate the location of its service connection. The customer's wiring must, except for those cases listed below, be brought out of the building in an approved manner from the main service disconnect to the outside the building wall nearest the Company's service wires so as to be readily accessible thereto. The point of service drop attachment shall be as high as the construction of the building will permit, but not more than twenty-five (25) feet nor less than twelve (12) feet from the ground (see National Electric Code for vertical clearance requirements of service drop conductors) and shall be located at a point convenient to the Company's lines for making connections thereto, and each of the service wires shall extend at least eighteen (18) inches from weatherhead on end of conduit or cable for making service connections. Service entrance equipment shall be properly grounded and shall be installed so that the disconnecting means is readily accessible. Where customers install service entrance facilities which have capacity and layout specified by the Company and/or install and use certain utilization equipment specified by the Company, the Company may provide or offer to own certain facilities on the customer's side of the point where the service wires attach to the building.

In areas served by an overhead distribution system, an overhead service shall be provided by the Company from the Company's distribution system extending one span (approximately 100 feet) toward the customer's facilities. When a customer desires that energy be delivered at a point or in a manner other than that designated by the Company, the customer shall pay the additional cost of same. Rights-of-way or easements necessary for the installation of said service (including private railway wire crossings permits) shall be provided by the customer.

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A non-residential customer desiring an underground service from overhead wires shall, at the customer's expense, install and maintain service wires in an approved manner from the main entrance switch in the building to an available pole (designated by the Company) from which connection is to be made, including the necessary run of wires up the pole. Such underground service shall conform to Company specifications. Where service is supplied from an underground distribution system which has been installed at the Company's expense within the limits of municipal streets, the customer shall make arrangements with the Company to supply and install a continuous run of cable conductors including necessary ducts from the manhole or connection box to the inside of the building wall. The customer shall pay the cost of installing the portion of cable and duct from the curb line to the terminus or cable inside the building and provide the necessary easements to the Company.

Conduit and wires and any equipment, installation and appurtenances furnished, installed and maintained by the customer must conform to the National Electrical Code, as well as applicable governmental requirements.

The Company shall not be required to make any inspection of the wiring, safety switch or other equipment, installation or appurtenances installed and owned by the customer. Any inspection thereof which the Company may make shall be voluntary on its part and for its benefit only, and shall not in any way relieve the customer of any obligations in that respect. The Company has the right to assess a service fee (shown below) when three or more trips are made for service installation and cannot be completed due to customer installation issues.

During Normal Business Hours

Service Fee Multiple Trips	\$28.00
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Other Than Normal Business HoursOff ShiftSunday or Holiday

Service Fee Multiple Trips	\$77.00	\$100.00
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10. EXTENSION OF LOCAL FACILITIES

The Company shall construct suitable electric transmission and distribution facilities under this line extension policy to serve customer premises when the customer cannot be served from existing electrical facilities.

Customers requesting new or expanded electric service shall submit detailed and complete information which may include but not be limited to switch size, requested delivery voltage, total estimated load, listing of connected loads, operating characteristics, site survey plans (showing other utilities or underground infrastructure) and first floor elevations before the Company can develop a plan of service and prepare a construction cost estimate.

The Company will determine the modifications to the Company's transmission and/or distribution facilities required to provide for a basic service plan to serve the customer's load. The

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Company will design, construct, own, operate and maintain the line extension and all other equipment installed to serve the customer's load up to the point of service for each customer.

Upon receipt of the necessary information from the customer, the Company will comply with Chapter 4901:1-9-07 of the Ohio Administrative Code and exercise its best efforts to expedite the entire process for developing a service plan and preparing a cost estimate.

The Company shall have no obligation to extend, expand or rearrange its facilities if it determines that the existing facilities are adequate to serve the customer's electrical load.

Definitions Used in This Section

1. "Basic service plan" means the least cost line extension design using sound engineering practices which meet and/or exceed the National Electrical Safety Code and the Company's construction standards.
2. "Contribution in aid of construction or CIAC" means any amount of money or property contributed to the Company to the extent that the purpose of the contribution is to provide for line extensions for new or expanded customer loads.
3. "Cost estimate" means the detailed projected expenditure, including material costs and overhead, equipment costs and overhead, labor costs and overhead, and all taxes associated with each major material and service component, required for a line extension. It shall also separately identify any incremental costs associated with providing premium services. The Company may, for the purpose of standardization, establish standard construction cost estimates, for basic or premium service plans, which shall not exceed, in any event, the average cost of constructing such line extensions in the area involved, in which case the term "cost estimate" as used in this section will be understood to mean the standard estimate thus established.
4. "Line extension" means the provision of facilities (including, but not limited to, poles, fixtures, wires, and appurtenances) necessary for delivering electrical energy from the point of origin to one or more of the customer's points of delivery. Facilities provided by the Company to maintain, protect, upgrade, or improve its overall distribution system (even if necessary due to a customer's load addition) are not considered part of a line extension.
5. "Multifamily installation" means any line extension to a new residential dwelling that will have two or more dwelling units, where each unit has a separate account for electric service.
6. "Permanent" means a) a structure that has a permanently installed pressurized domestic water system and septic/sewer system which complies with local codes/regulations and is approved for use by the respective sanitation jurisdictional authority, or b) a structure that is approved for installation on a foundational support that is either a mortared masonry pier/column configuration, a poured concrete slab, or a poured concrete footer and mortared masonry walls on the perimeter of the structure.
7. "Point of origin" means the point where a line extension under this rule connects with and receives energy from any existing transmission or distribution equipment. The point of origin shall

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be the nearest practical point to the customers to be served by the line extension at which the appropriate voltage level is available.

8. "Premium service" includes, but is not limited to, customer-requested oversizing of facilities, underground construction, three-phase residential service, seasonal operations, and any customer request that is in excess of standard construction and requirements necessary to provide electric service to the customer.

Line extensions

1. For line extensions to residential single family homes, both individual homes and homes in a development, unless noted otherwise, the following shall apply:

- a. The Company shall be responsible for all costs, excluding the incremental costs of premium services (the sum of the Company's cost to provide the premium installation minus the Company's cost of a standard, single-phase installation), up to five thousand dollars.
- b. The customer shall be responsible for the incremental costs of premium services prior to the start of construction.
- c. The customer shall make arrangements with the Company for the payment of the non-premium line extension costs that exceed five thousand dollars. The Company shall afford the nondeveloper, individual homeowner the option of paying those costs, plus carrying costs, on a prorated monthly basis for up to fifty months.

2. For line extensions to residential, non-master-metered, multifamily installations (two or more units) the following shall apply:

- a. The Company shall be responsible for all costs, excluding the incremental costs of premium services (the sum of the Company's cost to provide the premium installation minus the Company's cost of a standard, single-phase installation), up to twenty-five hundred dollars per unit.
- b. The customer shall be responsible for the incremental costs of premium services prior to the start of construction.
- c. The customer shall make arrangements with the Company for the payment of the non-premium line extension costs that exceed twenty-five hundred dollars per unit.

3. For line extensions to non-residential customers the following shall apply:

- a. The Company shall be responsible for sixty percent of the total cost of the line extension, excluding the incremental costs of premium services (the sum of the Company's cost to provide the premium installation minus the Company's cost to install, in accordance with good utility practice, a standard line extension to the project).
- b. The customer shall be responsible for forty percent of the total cost of the line extension plus the incremental costs of premium services prior to the start of construction.
- c. If a substation is required as part of the line extension project to a customer, the customer shall be given the option of building (pursuant to all applicable electrical standards), owning, and maintaining such substation.

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4. The payment for premium services and for the cost of residential construction in excess of the limits of five thousand dollars for single-family residences and twenty-five hundred dollars per unit for multifamily residences shall be considered as contribution in aid of construction (CIAC) and shall be grossed-up by the effect of applicable taxes.

5. Costs attributed to land clearance activity, trenching, and backfilling required for the installation of line extension facilities on the customer's property are the responsibility of the customer.

6. All line extensions shall be the property of and shall be operated and maintained by the Company.

7. The Company shall have the right to use any line extension in furnishing service to any applicant located adjacent to such line extension and the further right to construct other extensions from the distribution facilities so constructed.

8. Any customer who paid to the Company a CIAC, other than for premium services, may be entitled to a refund of a portion of the CIAC paid in accordance with the following:

- a. If any new customer, within fifty months of the completion of a line extension project for which an existing customer has paid to the Company a CIAC, utilizes all or part of the facilities for which the CIAC has been paid, the existing customer who paid the CIAC may be entitled to a refund which represents a pro rata portion of the original CIAC calculated to equitably share the CIAC responsibility for those facilities used in service by both the new and original customer.
- b. If any new additional customer, within fifty months of the completion of the line extension project for which existing customers have paid to the Company a CIAC, utilizes all or part of the facilities for which a CIAC has been paid, any existing customers who paid the CIAC may also be entitled to a refund.
- c. Any refunds made under a. or b., above shall be after payment has been received from the new customer.

The Company recognizes and makes available the rural line extension plan specified in Chapter 4901:1-9-07 - Rules, Regulations and Practices for the construction of Electric Line Extensions in Rural Territory, of the Ohio Administrative Code as amended from time to time.

11. TEMPORARY AND SPECIAL SERVICE

The Company will supply temporary distribution service when it has available unsold capacity in its lines and transformers. Customers who have seasonal operations at permanent locations, or who have other sources of energy supply not requiring distribution service from the Company and desire distribution service for standby or breakdown purposes, must contract for permanent distribution service under an open access distribution schedule applicable to the customer's class of business and will be subject to the terms of that schedule including the minimum bill and term of contract provisions.

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The customer will purchase temporary distribution service under any schedule applicable to the customer's class of business and will, in addition, pay to the Company, in advance, the Company's estimated total cost of installing and removing its facilities necessary for the temporary service. The total cost will include all material, labor and overheads, with appropriate credits being given to salvageable material and to facilities to be used in subsequent permanent service. Charges for the following categories of temporary service are fixed as follows:

Service requiring only reading-in and reading-out an existing meter - \$57.00.

Single-phase 120/240 volt service from existing source with adequate capacity, up to 200 Ampere; \$237.00 overhead and \$134.00 underground. All others charged based on facilities installed.

The Company shall not be required to construct general distribution lines underground unless the cost of such special construction for general distribution lines and/or the cost of any change of existing overhead general distribution lines to underground which is required or specified by a municipality or other public authority (to the extent that such cost exceeds the cost of construction of the Company's standard facilities) shall be paid for by that municipality or public authority. The "cost of any change" as used herein, shall be the cost to the Company of such change. The "cost of special construction" as used herein, shall be the actual cost to the Company in excess of the cost of standard construction. When a charge is to be based on the excess cost, the Company and municipality or other public authority shall negotiate the amount thereof.

Temporary distribution service supplied for a period less than one (1) full month will be billed on the basis of a full month's schedule billing under the applicable open access distribution schedule, including the minimum charge if applicable.

12. WORK PERFORMED ON COMPANY'S FACILITIES AT CUSTOMER'S REQUEST

Whenever, at the request of a customer and solely to suit the convenience of the customer, work is performed on the Company's facilities or the Company's facilities are relocated, the customer shall pay to the Company, in advance, the estimated total cost of such work. This cost shall be itemized by major categories and shall include the Company's standard overheads and be credited with the net value of any salvageable material. The actual costs for the work performed will be determined after its completion and the appropriate additional charge or refund will be made to the customer.

13. NOMINAL VOLTAGE LEVELS

The Company has established nominal service voltages of 60 cycle alternating current of which at least one of the following characteristics shall be made available to a customer, the particular voltage and service characteristics to be at the option of the Company:

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Secondary Distribution System – nominal regulated voltages of 120, 120/208, 120/240, or 240/480 volts, single phase and 120/208, 120/240, 240, 240/480, 277/480 and 480 volts, 3 phase.

Primary Distribution System -nominal regulated voltages of 2,400, 2,400/4,160, 4,160, 7,200, 7,200/12,470, 7,620/13,200, 7,970/13,800 and 19,900/34,500 volts.

Subtransmission -nominal, unregulated voltages of 23,000, 34,500, 40,000, and 69,000 volts, 3 phase.

Transmission - nominal, unregulated voltages of 138,000, 345,000, and 765,000 volts, 3 phase.

The Company shall design and operate its system so that under normal operating conditions the voltage delivered at the customer's service entrance, for the regulated voltages listed above, is maintained within the range of plus or minus 5% of the nominal voltage. Wherever voltages shall be known to exist outside of such range, the Company will take steps to promptly initiate corrective action to restore the voltage level to within such range.

14. METER REGISTRATION AND TESTING

The Company will own, furnish, install and maintain the meter or meters unless the customer elects metering service from a qualified Meter Service Provider (MSP). The customer is required to supply, install and maintain the mounting or meter enclosures or sockets. The Company or MSP may specify whether the meter or meters are to be installed on the inside or outside the customer's premise and may change such location at its option. When an inside meter installation is made, the customer shall furnish, at the customer's sole expense, a suitable meter panel in a convenient and suitable location and so placed that the meter installation will not be more than five (5) feet nor less than three (3) feet from the floor, and pay the additional expense of providing an electronic means to obtain an automated reading. In addition, the customer may be required to install and maintain a dedicated communications line. If any location provided by the customer causes the meter to register incorrectly, the Company or MSP may require the customer to provide a new meter location acceptable to the Company and to pay the expense of relocation. All costs incident to the relocation of an outside meter made upon the customer's request, or required to be made because of customer's use of premises, shall be paid by the customer.

The authorized agents or employees of the Company shall have free access at all reasonable hours to the premises of the customer for the purpose of installing, reading, testing and removing meters or other appliances, belonging to the Company.

The Company will test its meters at its discretion or at the request of the customer. Any kilowatt-hour meter found by test to be registering within the range of plus or minus two percent (+/- 2%) will be considered as registering accurately. Any integrating block interval demand meter or thermal demand meter registering within the range of plus or minus four percent (+/- 4%) will be considered to be registering correctly. For each subsequent test conducted within thirty-six (36) months of the last previous test, if the meter is found to be registering correctly, the customer shall pay to the Company a \$64.00 fee for a single phase meter test and a \$85.00 fee for all other meter tests. The customer shall be told the amount of such charge when the customer

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requests the meter test within such thirty-six (36) month period. Such test, witnessed by the customer if so desired, will be conducted using a properly calibrated meter standard.

The Company will replace at its expense any Company-owned meter registering incorrectly and will make billing corrections in accordance with the following section for any services billed by the Company.

When service has been obtained through tampering practices, the customer will be charged a minimum fee of \$49.00 for the Company to investigate and to inspect the premises. The customer will pay additional charges for any and all costs of disconnection as well as the costs of repairing or replacing damaged equipment based on the customer's individual situation.

15. METERING AND LOAD PROFILING

All customers with maximum monthly billing demands of 200 kW or greater for the most recent twelve (12) months shall be interval metered. The customer or the customer's Competitive Retail Electric Service (CRES) Provider may request an interval meter for customers with maximum monthly billing demands less than 200 kW.

The cost and repair of any interval metering facilities installed by the Company to comply with this requirement or as a result of such request shall be paid by the customer. The customer shall make a one-time payment for the metering facilities at the time of installation of the required facilities, or at the customer's option, up to twenty-four (24) consecutive equal monthly payments reflecting an annual interest charge as determined by the Company, but not to exceed the cost of the Company's most recent issue of long-term debt. If the customer elects the installment payment option, the Company shall require an initial payment equal to twenty-five percent (25%) of the total cost of the metering facilities. Any necessary replacement of the meter where repair is not possible will be performed at cost, based upon premise installation and load requirements.

In addition, the customer shall pay a net charge to cover the incremental cost of operation and maintenance and meter data management associated with such interval metering as follows:

Charges are for service performed on a Company installed standard interval meter. The customer is responsible for providing the telephone line and cost associated with telephone communications for purposes of reading the meter.

Service Performed During Normal Business Hours	Charge (\$)
Connect phone line to meter at a time other than the initial interval meter installation	57.00
Perform manual meter reading	43.00
Check phone line and perform manual meter reading due to communication loss	47.00
Replace surge protector	119.00
Replace modem board	210.00

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The customer or the customer's CRES Provider may select a meter from the Company's approved standard equipment list. If a customer selects any meter other than those shown on the approved standard list, the customer accepts responsibility for any incremental cost which the meter may require to upkeep, maintain, or replace the meter due to failure. The customer or the customer's CRES Provider may communicate with the meter for the purpose of obtaining usage data, subject to the Company's communication protocol.

A customer that is required to have interval metering must approve a work order for interval meter installation before a CRES Provider may serve such customer. During the period between when the customer has requested an interval meter and the time that the Company is able to install such a meter, a Company load profile will be used for settlement purposes and consumption meter readings will be used for billing.

All load profiling shall be performed by the Company. Sample data and customer specific interval metering, when available, will be used in the development of the total load profile for which a CRES Provider is responsible for providing generation and possibly transmission services. Such data shall be provided to the Billing Agent (BA) or other entities as required for monthly billing.

16. USE OF ENERGY BY CUSTOMER

The schedules for open access distribution service given herein are classified by the character of use of such service and are not available for service except as provided therein.

It shall be understood that upon the expiration of a contract the customer may elect to renew the distribution service contract upon the same or another open access distribution schedule published by the Company and applicable to the customer's requirements, except that in no case shall the Company be required to maintain transmission, switching or transformation equipment (either for voltage or form of current change) different from or in addition to that generally furnished to other customers receiving distribution service under the terms of the open access distribution schedule elected by the customer.

The customer shall install only motors, apparatus, or appliances which are suitable for operation with the character of the service supplied by the Company, and which shall not be detrimental to same, and the electric power must not be used in such a manner as to cause unprovided for voltage fluctuations or disturbances in the Company's transmission or distribution system. The Company shall be the sole judge as to the suitability of apparatus or appliances, and also as to whether the operation of such apparatus or appliances is or will be detrimental to its general service.

All apparatus used by the customer shall be of such type as to secure the highest practical commercial efficiency, power factor and the proper load balancing of phases. Motors which are frequently started or motors arranged for automatic control, must be of a type to give maximum starting torque with minimum current flow, and must be of a type, and equipped with controlling devices, approved by the Company.

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The operation of certain electrical equipment can result in disturbances (e.g. voltage fluctuations, harmonics, etc.) on the transmission and distribution systems which can adversely impact the operation of equipment for other customers. Non-residential customers are expected to abide by industry standards, such as those contained in ANSI/IEEE 141, 519 and 1453, IEC 61000 or the IEEE/GE voltage flicker criteria, when operating such equipment. In accordance with the Electric Service and Safety Standards, Chapter 4901:1-10-15 (D) of the Ohio Administrative Code, the Company may refuse or disconnect service to non-residential customers for using electricity or equipment which adversely affects distribution service to other customers. Copies of the applicable criteria will be provided upon request.

The service connections, transformers, meters and appliances supplied by the Company for each customer have a definite capacity. The customer agrees to promptly notify the Company prior to any increase or decrease in the customer's connected load, or power factor which could impact the capacity requirements of the Company's local facilities. No additions to the equipment or load connected thereto shall be made until after the consent of the Company has been obtained. The customer shall notify the Company promptly of any defect in service or any trouble or accident to the electrical supply.

No attachment of any kind whatsoever may be made to the Company's lines, poles, crossarms, structures, or other facilities without the express written consent of the Company.

The Company will not supply distribution service to customers who have other cogeneration, small power production or other sources of on-site energy supply except under schedules which specifically provide for same.

The customer shall not be permitted to operate the customer's own generating equipment in parallel with the Company's service except on written permission of the Company.

17. RESALE OF ENERGY

Electric service will not be delivered to any party contracting with the Company for distribution service (hereinafter in this Section called "customer") except for use exclusively by (i) the customer at the premises specified in the service request or contract between the Company and the customer under which service is supplied and (ii) the occupants and tenants of such premises.

18. CUSTOMER'S LIABILITY

In the event the customer is unable to receive distribution service in the full amount contemplated by the customer's regular distribution service arrangements for a period in excess of fifteen (15) full days as a result of fire, riot, explosion, flood, accident, breakdown or acts of God or the public enemy, said customer shall not be liable to the Company for minimum demand or billing charges for which the customer normally would be liable pursuant to the open access distribution schedule and/or contract during the period of distribution service decrease of electricity usage, provided:

1. The customer notifies the Company in writing of the customer's inability to receive distribution service as a result of one or more of the above specified event(s); and

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2. Said notice includes (in addition to any other pertinent information):

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- a. Extent (or magnitude) of the distribution service decrease
 - b. Date of the event
 - c. Cause of the event
 - d. Probable duration of the distribution service decrease; and
3. The customer is prompt and diligent in removing the cause of the service decrease; and
4. The customer submits a report to the Company at least every thirty days following the event explaining the customer's progress toward removing the cause of the distribution service decrease; and
5. The customer pays, pursuant to the customer's open access distribution schedule and/or contract, for all distribution service rendered prior to the service decrease.

In no event, however, shall this provision affect open access distribution minimum demand or billing charges in any billing period prior to the date on which the Company receives the customer notice required above unless that notice is received within fifteen (15) days of the above specified events.

During the period that the terms of this provision shall be in effect, the customer shall pay for all distribution service received, the charges for such service being determined pursuant to the open access distribution schedule under which the customer had been served prior to the event except for the minimum demand or billing charges which were waived as a consequence of this provision. Under no circumstance shall the waiver of the minimum demand or billing charges extend beyond the time the cause of the distribution service decrease has been removed. On the date that the cause of the customer's inability to receive distribution service has been removed, billing shall resume pursuant to the customer's open access distribution schedule and/or contract.

Any contract, which has been affected by the application of this provision, shall have its term extended for a period of time equal in length to the duration of distribution service decrease.

If the event causing the distribution service decrease is of such severity that the customer decides not to continue in business at the affected location, and so notifies the Company in writing, the above provision will not be applied. Under such circumstances, the customer will pay to the Company (1) a sum equal to the value of the Company's estimated original plant in service including the cost of the transmission and distribution voltage lines and other equipment erected or reserved specifically for that customer's use, less accumulated depreciation and less the net salvage value of that equipment, or (2) any remaining demand or minimum bill charges due under the contract or any extension thereof resulting from application of this provision.

In the event of loss of or injury to the property or equipment of the Company through misuse or negligence of the customer or the customer's employees or invitees, the cost of any necessary repairs or replacement shall be repaid to the Company by the customer. The customer will be held responsible for any tampering or interfering with or breaking the seals of meters or other equipment of the Company installed on the customer's premises and will be held liable for the same according to law.

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The customer hereby agrees that no one except the employees of the Company, or the Company's agents, shall be allowed to make any internal or external adjustments of any meter or any other piece of equipment which is the property of the Company.

Customers will also be responsible for tampering with, interfering with, or breaking of seals of meters installed by an MSP or other related apparatus, regardless of ownership. No one except the employees of the Company, MSP, or their agents, shall be allowed to make any internal or external adjustments of any such meter, regardless of ownership.

At the request of any customer served on a schedule containing a separate demand charge, the Company shall provide a demand signal to the customer. The customer shall pay to the Company the cost for providing the signal. The Company shall not be liable for a loss of signal, and in such event the customer shall pay for the demand and energy as actually metered by the Company.

Suspension of service for any of the above reasons shall not terminate the contract for service. The authorized agents or employees of the Company shall have free and safe access at all reasonable hours and in emergencies to enter the premises of the customer for the purpose of installing, reading, removing, testing, replacing, or otherwise disposing of its apparatus and property, and the right of entire removal of the Company's property in the event of the termination of the contract for any cause. The customer will keep the area where the Company's apparatus and property are located free from obstruction, danger and/or safety hazards. The Company's agent will, upon request, show credentials and state the reasons for requiring access.

No responsibility of any kind shall attach to the Company for or on account of any loss, injury or damage caused by or resulting from defects in or inadequacy of the wires, switches, equipment, or appurtenances of the customer, or from the installation, maintenance or use thereof.

19. COMPANY'S LIABILITY

The Company will use reasonable diligence in delivering a regular and uninterrupted supply of energy to the customer, but does not guarantee uninterrupted service. The Company shall not be liable for damages in case such supply should be interrupted or fail by reason of an act of God, the public enemy, accidents, labor disputes, orders or acts of civil or military authority, breakdowns or injury to the machinery, transmission lines, distribution lines or other facilities of the Company, extraordinary repairs, or any act of the Company, including the interruption of service to any customer, taken to prevent or limit the extent or duration of interruption, instability or disturbance on the electric system of the Company or any electric system interconnected, directly or indirectly, with the Company's system, whenever such act is necessary or indicated in the sole judgment of the Company.

The Company shall not be liable for damages in case such service should be interrupted or by failure of the customer's CRES Provider to provide appropriate energy to the Company for delivery to the customer.

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The Company shall not be liable for any loss, injury, or damage resulting from the customer's use of the customer's equipment or occasioned by the energy furnished by the Company beyond the delivery point. Unless otherwise provided in a contract between the Company and customer, the point at which service is delivered by the Company to the customer, to be known as "delivery point", shall be the point at which the customer's facilities are connected to the Company's facilities. The metering device is the property of the Company; however, the meter base and all internal parts inside the meter base are customer owned and are the responsibility of the customer to install and maintain. The Company shall not be liable for any loss, injury, or damage caused by equipment which is not owned, installed and maintained by the Company.

The customer shall provide and maintain suitable protective devices on the customer's equipment to prevent any loss, injury, or damage that might result from single phasing conditions or any other fluctuation or irregularity in the supply of energy. The Company shall not be liable for any loss, injury, or damage resulting from a single phasing condition or any other fluctuation or irregularity in the delivery of energy which could have been prevented by the use of such protective devices. The Company shall not be liable for any damages, whether direct or consequential, including, without limitations, loss of profits, loss of revenue, or loss of production capacity occasioned by interruptions, fluctuations or irregularity in the supply of energy.

The Company is not responsible for loss or damage caused by the disconnection or reconnection of its facilities. The Company is not responsible for loss or damages caused by the theft or destruction of Company facilities by a third party.

Except as otherwise provided in this Section, the Company shall be liable to the customer for damage directly resulting from interruptions, irregularities, delays, or failures of distribution service, caused by the negligence of the Company or its employees or agents, but any such liability shall not exceed the cost of repairing, or actual cash value, whichever is less, of equipment, appliances, and perishable food stored in a customer's residence damaged as a direct result of such negligence. The customer must notify the Company of any claim based on such negligence within thirty days after the interruption, irregularity, delay or failure begins. The Company shall not be liable for consequential damages of any kind. This limitation shall not relieve the Company from liability which might otherwise be imposed by law with respect to any claims for personal injuries to the customer.

The Company will provide and maintain the necessary line or service connections, transformers (when same are required by conditions of contract between the parties thereto), and other apparatus which may be required for the protection to its service. All such apparatus shall be and remain the property of the Company and the Company shall be granted ready access to the same. The Company or MSP will provide and maintain the necessary meters and other apparatus which may be required for the proper measurement of the Company service. All such apparatus shall be and remain the property of either the Company or MSP and the Company or MSP shall be granted ready access to the same, except to read inside meters. Such access to inside meters shall be granted upon reasonable request to residential customers during regular business hours.

Approval of the above schedule language by the Commission does not constitute a determination by the Commission that the limitation of liability imposed by the Company should be upheld in a court of law. Approval by the Commission merely recognizes that since it is a court's responsibility to adjudicate

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negligence and consequent damage claims, it is also the court's responsibility to determine the validity of the exculpatory clause.

20. RESIDENTIAL SERVICE

The Residential Customer is a customer whose domestic needs for distribution service are limited to their primary single family residence, single occupancy apartment and/or condominium, mobile housing unit, or any other single family residential unit. Individual residences shall be served individually under a residential open access distribution schedule. Customer may not take distribution service for two (2) or more separate residences through a single meter under any schedule, irrespective of common ownership of the several residences, except that in the case of an apartment house with a number of individual apartments the landlord shall have the choice of providing separate wiring for each apartment so that the Company may provide delivery to each apartment separately under the residential open access distribution schedule, or of purchasing the entire distribution service through a single meter under the appropriate general service open access distribution schedule.

Where a single-family house is converted to include separate living quarters or dwelling units for more than one family, or where two (2) or more families occupy a single-family house with separate cooking facilities, the owner may, instead of providing separate wiring for each dwelling unit, take service through a single meter under the residential open access distribution schedule. In such case, there will be a single customer charge, but the quantity of kilowatt-hours in each block will be multiplied by the number of dwelling units or families occupying the building.

The residential open access distribution schedule shall cease to apply to that portion of a residence which becomes primarily used for business, professional, institutional or gainful purposes. Under these circumstances, the customer shall have the choice: (1) of separating the wiring so that the residential portion of the premises is served through a separate meter under the residential open access distribution schedule and the other uses as enumerated above are served through a separate meter or meters under the appropriate general service open access distribution schedule; or (2) of taking the entire service under the appropriate general service open access distribution schedule. Motors of ten (10) HP or less may be served under the appropriate residential open access distribution schedule. Larger motors may be served where, in the Company's sole judgment, the existing facilities of the Company are adequate.

Detached building or buildings, actually appurtenant to the residence, such as a garage, stable or barn, may be served by an extension of the customer's residence wiring through the residence meter provided no business activities are transacted in the detached buildings.

In the event a detached garage or other facility on a residential customer's property is separately served and metered, such facility shall be metered and billed according to the appropriate general service open access distribution schedule.

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The Company's rules for the establishment of credit for residential utility service is governed by Chapter 4901:1-10-14 of the Ohio Administrative Code, and the Company's disconnect and reconnect procedures for residential customers is governed by Chapter 4901:1-18 of the Ohio Administrative Code.

21. DEPOSITS

Security for the payment of bills for distribution service will be governed, as specified in Chapter 4901:1-10-14 of the Ohio Administrative Code, which is herein incorporated by reference as it is from time to time amended.

The Company will be entitled to pursue adequate assurance of payment for distribution service if a customer files for protection under provisions of the United States Bankruptcy Code.

The Company may require a deposit by the customer not exceeding the amount of the estimated monthly average cost of the annual consumption by such customer plus thirty percent. The Company will pay interest on deposits, at a rate of not less than three percent per annum, so made in accordance with legal requirements, provided such deposit be left with the Company for at least six (6) consecutive months. Retention by the Company, prior to final settlement, of any deposit or guarantee is not a payment or part payment of any bill for service.

22. BILLING AND BILLS PAYABLE

The customer will be held responsible for all charges for distribution service. Bills for distribution service will be rendered by the Company to the customer approximately thirty (30) days apart in accordance with the open access distribution schedule applicable to the customer's distribution service with the following exception:

Year-round residential and not-for-profit open access distribution general service schedule customers shall have the option of paying bills for distribution service under the Company's equal payment plan (Budget Plan), whereby the cost of distribution service for the succeeding 12-month period is estimated in advance, and bills are rendered monthly on the basis of one-twelfth of the 12-month estimate. The Company may at any time during the 12-month period adjust the estimate so made, and the bills rendered in accordance with such estimate, to conform more nearly with the actual use of service being experienced. The normal equal payment period will be twelve (12) months, commencing in any month selected by the Company, but in those cases where billing is commenced during a month which leaves less than twelve (12) months until the beginning of the next normal equal payment period to which the customer is assigned, payments shall be calculated on the basis of the months in such period.

In case the actual distribution charges during any equal payment period exceed the bills as rendered on the equal payment plan, the amount of such excess shall be paid on or before the due date of the bill covering the last month of the equal payment period in which such excess appears, or such excess may be added to the estimated use for the next normal equal payment period of twelve (12) months, and shall be payable in equal monthly payments over such period, except that if the customer discontinues service with the Company under the equal payment plan, any such excess not yet paid shall become payable

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immediately. In case the actual distribution charges during the equal payment period are less than the amount paid under the equal payment plan during such period, the amount of such overpayment shall, at the option of the Company, either be refunded to the customer or credited on the customer's last bill for the period.

If a customer fails to pay bills as rendered on the equal payment plan, the Company shall have the right to withdraw the plan with respect to such customer and to restore the customer to billing as provided for in the applicable open access distribution schedules, in addition to any other rights which the Company may have under such schedules and terms and conditions of service in case of arrearage in payment of bills.

The customer will be held responsible for all charges for electric energy delivered at the customer's premises. Bills will be rendered for each month's use by the Company to the customer. All bills from the Company are due and payable in full by mail, checkless payment plan, electronic payment plan, or at an authorized payment agent of the Company within the time limits specified in the schedule. For the purpose of this section, the United States Postal Service is not an authorized payment agent, and payments received through the Postal Service are considered paid when received at the Company's business offices. Failure to receive a bill will not entitle the customer to any discount or to the remission of any charge for nonpayment within the time specified. For purposes of this Section, the word "month" as used herein and in the open access distribution schedules is hereby defined to be the elapsed time between two successive meter readings approximately thirty (30) days apart.

If the customer fails to pay in full any final bill for distribution service rendered and said customer receives like service at another location, the Company may transfer the unpaid balance of the final bill to the customer's like service account for any such other location. Like service refers to an end use within the following broad categories: residential, commercial, or industrial. Such amount shall be designated as a past-due amount on the account at such location and subject to collection and disconnection action in accordance with Chapter 4901:1-18 of the Ohio Administrative Code and the Company's filed tariffs, terms and conditions of service, provided that such transfer of a final bill shall not be used to disconnect service to a residential customer who is not responsible for such bill.

If the amount of energy consumed is not properly registered by a meter for any reason, or is not properly charged to the customer's account, the entity providing billing services, either the Company or a BA, will, for the period of time that incorrect billings can be established, adjust the meter readings and billings to reflect all available information concerning the actual use by the customer. Any resulting overpayment will be paid or credited to the customer by the appropriate billing entity. Unless the customer and the Company agree otherwise, the Company will bill non-residential accounts any undercharged amount in compliance with Chapter 4901: 1-10 of the Ohio Administrative Code, as amended from time to time. The Company shall bill uncharged amounts for residential customers in compliance with section 4933.28 of the Revised Code, as amended from time to time. Should the amount of the adjustment for distribution charges be under dispute, the Company will continue to supply distribution service and the customer shall continue to pay the amounts billed until a final determination is made.

A customer shall be charged \$9.00 for any dishonored check received in payment for a bill rendered by the Company, unless the customer shows that the bank was in error.

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At the Company's discretion, any customer receiving Company consolidated billing with a CRES Provider billing arrearage of more than 60 days may be switched back to the Company's Standard Offer Service and will not be permitted to select a new CRES Provider until the arrearage is paid.

23. CHANGE OF ADDRESS BY CUSTOMER

It is the responsibility of an existing customer to notify the Company when distribution service is to be discontinued, and to provide a mailing address for the final bill.

When the Company receives notice from an existing customer that distribution service is to be discontinued, or from a prospective customer that an existing distribution service is to be transferred into the prospective customer's name, the Company will, within three (3) business days, determine the meter reading for the final distribution bill to the existing customer. Such determination shall be made either by estimation or, upon customer request, by an actual meter reading. The existing customer will be responsible for all service supplied to the premises until such meter reading and discontinuance or transfer is made. Transfer of service to a qualified prospective customer will not be delayed or denied because of nonpayment of the final distribution bill by the former customer, unless the former customer continues to be a consumer of electric service at that premise.

24. DENIAL OR DISCONTINUATION OF SERVICE

The Company reserves the right to refuse any applicant for service if the applicant is indebted to the Company for any service theretofore rendered at any location, provided the Company shall advise applicant to such effect, and provided that indebtedness for one (1) class of service shall not cause the refusal of service to a different class of service. The Company reserves the right to discontinue service to any customer without notice for safety reasons, and with notice as required by Rule 4901:1-10-20 of the O.A.C., for fraud against the company. Service will not be restored until the customer has given satisfactory assurance that such fraudulent or damaging practice will be discontinued and has paid to the Company an amount estimated by the Company to be reasonable compensation for services fraudulently obtained and for any damage to property of the Company.

Subject to the further provisions for residential customers contained in Chapter 4901:1-18 of the Ohio Administrative Code which is herein incorporated by reference as it is from time to time amended, and in accordance with the provision for non-residential customers contained in Chapter 4901:1-10-17, the Company also reserves the right after at least five (5) days notice in writing to discontinue to serve any customer (1) who is indebted to the Company for any service theretofore rendered at any location (on other than equal payment plan accounts having a credit balance), and provided that indebtedness for one (1) class of service shall not cause the disconnection of service to a different class of service (2) for failure to provide and maintain adequate security for the payment of bills as requested by the Company, or (3) for failure to comply with these Terms and Conditions. Any discontinuance of service shall not terminate the contract between the Company and the customer nor shall it abrogate any minimum charge which may be effective.

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When a Company employee is dispatched to a customer's premises for the purpose of performing disconnection activities due to the customer's delinquency, the customer will be charged a collection trip charge of \$16.00 if the disconnection activity is not performed as the result of extenuating circumstances.

The Company will bill only "one (1)" trip charge per month to comply with Rule 4901:1-18-07 (C) of the O.A.C.

If a customer has been disconnected, upon payment or proof of payment of the delinquent amount plus a reconnection fee as specified below, which represents the cost to the Company of disconnecting and reconnecting a customer during the Company's normal working hours, the Company will reconnect the electric service on this same day, if such payment or proof of payment is made at the Company's authorized payment agent by 12:30 p.m., and otherwise as soon as possible but not later than the close of the Company's next regular working day. When such payment is made after 12:30 p.m. and the Company's employees cannot reconnect the service prior to the end of their normal workday, and the customer prefers to be reconnected prior to the beginning of the next regular workday, the disconnection and reconnection charge payable prior to reconnection will be the overtime rate specified below, an amount which recognizes the Company's average additional cost of reconnecting a customer outside of normal working hours. No reconnect for nonpayment will be made after 9:00 PM from April 15 through October 31 or after 7:00 PM November 1 through April 14.

Reconnection Service Charges

When service has been terminated for nonpayment, the following charges shall apply for reconnection of service.

During Normal Business Hours

Reconnect at Meter	\$53.00
Reconnect at Pole	\$154.00
Install Locking Device and Reconnect	\$73.00

Other Than Normal Business Hours Off-Shift Sunday or Holiday

Reconnect at Meter	\$98.00	\$119.00
Reconnect at Pole	\$192.00	\$221.00

When service has been terminated at the pole, per the customer's request, for non-credit related reasons, the customer will be assessed a \$153.00 disconnection/reconnection charge for the subsequent reconnection at the same location.

25. DISCONNECT PROVISIONS – NON-RESIDENTIAL

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The company may refuse or disconnect service to non-residential customers for any of the following reasons:

- (A) When the customer violates or fails to comply with the contract or tariff's;
- (B) When service to a customer or consumer violates any law of this state or any political subdivision thereof, or any federal law or regulation;
- (C) When a customer or consumer tampers with company property or engages in a fraudulent practice to obtain service, as set forth in rule 4901:1-10-20 of the Ohio Administrative Code;
- (D) For using electricity or equipment which adversely affects service to other customers or consumers, e.g., voltage fluctuations, power surges, and interruptions of service;
- (E) When a safety hazard to consumers or their premises, the public, or to the Company personnel or facilities exists;
- (F) When the customer, landlord of the tenant/customer, or tenant leasing the landlord/customer's premises refuses access to Company's facilities or equipment on the customer's property or property leased by the customer;
- (G) For nonpayment of bills and any tariff charges, including security deposits and amounts not in bona fide dispute. Where the customer has registered a complaint with the Commission's public interest center or filed a formal complaint with the Commission which reasonably asserts a bona fide dispute, the Company shall not disconnect service if the customer pays either the undisputed portion of the bill or the amount paid for the same billing period in the previous year;
- (H) When the customer vacates the premises;
- (I) For repairs, provided that the Company has notified consumers prior to scheduled maintenance interruptions in excess of six hours;
- (J) Upon the customer's request;
- (K) A former customer, whose account with that is in arrears for service furnished at the premises, resides at, or has requested service for, such premises;
- (L) When an emergency may threaten the health or safety of a person, a surrounding area, or the operation of the Company's electrical system; and
- (M) For other good cause shown.

Suspension of service for any of the above reasons shall not terminate the contract for service. The authorized agents or employees of the Company shall have free access at all reasonable hours to the premises of the customer for purposes of disconnecting and reconnecting service.

26. CHANGING COMPETITIVE SERVICE PROVIDERS

Standard Offer Service will be provided under the Company's standard schedules.

Customers may change Competitive Service Providers (CSPs) no more than once during any month subject to the provisions below.

Requests to change a customer's Competitive Retail Electric Service (CRES) Provider must be received by the Company from the new CRES Provider. If the Company receives such a request to change a

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customer's CRES Provider, the customer shall be notified by the Company concerning the requested change within two business days. If the customer challenges the requested change, the change will not be initiated.

Residential and General Service—1 customers have seven (7) days from the postmark date on the notice to contact the Company to rescind the enrollment request or notify the Company that the change of CRES Provider was not requested by the customer. General Service—2, 3, and 4 customers must contact the CRES Provider directly to stop the switch. Within two business days after receiving a customer request to rescind enrollment with a CRES Provider, the Company shall initiate such rescission and mail the customer confirmation that such action has been taken.

Any request for initial service under the Company's open access distribution schedules or subsequent changes to a customer's MSP, MDMA and/or BA must be provided by the CRES Provider that provides energy services to the customer and arranges for such MSP, MDMA and/or BA services on behalf of the customer. The CRES Provider must obtain, and maintain documentation of, authorization from the customer for any changes in MSP, MDMA and/or BA.

A charge of \$5.00 will be assessed to the CRES Provider for each transaction in which a customer authorizes a change in one or more CSPs. However, this switching charge shall not apply in the following specific circumstances: (a) the customer's initial change to service under the Company's open access distribution schedules and service from an CRES Provider, (b) the customer's CRES Provider is changed involuntarily, (c) the customer returns to service from the customer's former CRES Provider following an involuntary change in CRES Provider, or (d) the customer's former CRES Provider's services have been permanently terminated and the customer must choose another CRES Provider.

In the event that a CSP's services are permanently terminated, and the CSP has not provided for service to the affected customers, the CSP shall send timely notification to the Company and the affected customers regarding the termination of such services. Such notification shall describe the process for selecting a new CSP and note that service will be provided by the Company under the Company's Standard Offer Service if a new CSP is not selected.

A customer's return to the Company's Standard Offer Service may be a result of customer choice, CRES Provider default, termination of a CRES Provider contract, opt out or termination of a governmental aggregation program, or CRES Provider withdrawal. A customer will be returned to Standard Offer Service only after the customer fails to choose an alternative CRES Provider.

A customer may contact the Company and request to return to the Company's Standard Offer Service. The return to Standard Offer Service shall be conducted under the same terms and conditions applicable to an enrollment with a CRES Provider. The customer will have a seven (7) calendar day rescission period after requesting the Company's Standard Offer Service.

Provided the customer has observed the applicable notification requirements and the Company has effectuated the request to return to Standard Offer Service at least twelve (12) calendar days prior to the next regularly scheduled meter reading date, the customer will be returned to Standard Offer Service on the next regularly scheduled meter reading date.

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27. CUSTOMER CHOICE OF COMPETITIVE SERVICE PROVIDER

Customers may elect energy services from a qualified CRES Provider, metering services from a qualified Meter Service Provider (MSP), meter data management services from a qualified Meter Data Management Agent (MDMA) and/or billing services from a qualified Billing Agent (BA). Any MSP, MDMA and/or BA services provided to the customer must be arranged through the CRES Provider who provides energy services to the customer.

Qualifications and other eligibility criteria for such entities are specified in the Supplier Terms and Conditions of Service. CRES Providers, MSPs, MDMAs and BAs are also subject to the rules and certification criteria established by the Commission for such entities as also incorporated in the Supplier Terms and Conditions of Service. CRES Providers, MSPs, MDMAs and BAs are collectively referred to as Competitive Service Providers (CSPs).

Any customer who desires service from a CSP must first contract with a CRES Provider who will arrange for the provision of such services. The CRES Provider shall then notify the Company at least twelve (12) calendar days prior to the customer's regularly scheduled meter reading date after which the customer will receive service from the CSP. All changes in CRES Providers shall occur at the end of the customer's regularly scheduled meter reading date. Any request to change a customer's CRES Provider received after twelve (12) calendar days prior to the customer's regularly scheduled meter reading date shall become effective the subsequent billing month.

A customer is not permitted to have partial Competitive Retail Electric Service. The CRES Provider(s) shall be responsible for providing the total energy consumed by the customer during any given billing month.

Upon request, customers will be sent an information package containing a summary of the Customer Choice program and a current list of CRES Providers.

The list of CRES Providers will be provided to any customer upon request, all new customers, any customer who is dropped for nonpayment by a CRES Provider, and any customer who returns to the Company's Standard Offer Service due to default by a CRES Provider.

The list of CRES Providers will be posted on the Company's website. The list of CRES Providers will contain the names of those CRES Providers currently registered to enroll and actively seeking residential customers in the Company's service territory.

The Company will offer to CRES Providers the Pre-Enrollment Customer Information List with updates available monthly. Customers have the option to remove all of their information (including name, address and historical usage data) from the Customer Information List. Customers may also reinstate their information to the Customer Information List. Customers will be notified of such options quarterly.

28. LOSSES

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Either the CRES Provider or the Transmission Provider may provide both transmission and distribution losses as required to serve customers at various delivery voltages. If a CRES Provider arranges to provide transmission losses under the provisions of the applicable Open Access Transmission Tariff, then the CRES Provider must also arrange for the appropriate distribution losses. Customers served at transmission and subtransmission voltages require no additional losses other than the losses specified in the applicable Open Access Transmission Tariff. Customers served at primary distribution voltage require 2.0% additional average losses of amounts received by the Company for delivery to the customer. Customers served at secondary distribution voltage require 5.4% additional average losses of amounts received by the Company for delivery to the customer.

29. TRANSMISSION SERVICE

Transmission service shall be made available under the terms and conditions contained within the applicable Open Access Transmission Tariff as filed with and accepted by the Federal Energy Regulatory Commission. CRES Providers may contract with the Transmission Provider for transmission service under the applicable Open Access Transmission Tariff. The Transmission Provider is the applicable regional transmission entity. PJM Interconnection LLC is currently the applicable regional transmission entity. All CRES Providers must complete all required actions relative to membership with the Transmission Provider and be authorized by the Transmission Provider to transact business with regard to transmission service. The contracting entity or its designee is responsible for scheduling under the tariff. Unless other arrangements have been made, the scheduling entity will be billed by the Transmission Provider for transmission services.

The contracting entity must also purchase or provide ancillary services as specified under the applicable Open Access Transmission Tariff.

Billing and payment shall be performed as specified in the applicable Open Access Transmission Tariff.

Provisions for scheduling and imbalance are contained within the applicable Open Access Transmission Tariff.

The Company will bill all customers for the following transmission services:

PJM LINE	CHARGES / CREDITS
1100	Network Integration Transmission Service
1108	Transmission Enhancement
1320	Transmission Owner Scheduling, System Control and Dispatch Service
1330	Reactive Supply and Voltage Control from Generation and Other Sources Service
1450	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service
1930	Generation Deactivation
2130	Firm Point-to-Point Transmission Service

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2140	Non-Firm Point-to-Point Transmission Service
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Upon notification by the Company, all CRES Providers shall approve the Company's prepared Billing Line Item Transfers through PJM's Billing Line Item Transfer Tool to allow charges and credits for the above transmission services to be assigned to the Company. All other transmission service charges and credits shall be the responsibility of the CRES Provider.

30. RESERVED

31. SUPPLIER TERMS AND CONDITIONS OF SERVICE

31.1 CONTENTS

Paragraph	Section
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31.3	Customer Choice of Competitive Service Provider
31.4	Changing Competitive Service Providers
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31.2 APPLICATION

These Supplier Terms and Conditions of Service apply to any person, firm, copartnership, voluntary association, joint-stock association, company or corporation, wherever organized or incorporated, that is engaged in the business of supplying electricity to customers that take distribution service from the Company. These Supplier Terms and Conditions of Service also apply to any such entity that is engaged in the business of providing metering, meter data management and billing services to customers that take distribution service from the Company.

A copy of the Supplier Terms and Conditions of Service under which service is to be rendered will be furnished upon request.

31.3 CUSTOMER CHOICE OF COMPETITIVE SERVICE PROVIDER

Customers taking service under the Company's Terms and Conditions of Open Access Distribution Service may elect energy services from a qualified CRES Provider, metering services from a qualified Meter Service Provider (MSP), meter data management services from a qualified Meter Data Management Agent (MDMA) and/or billing services from a qualified Billing Agent (BA). Any MSP, MDMA and/or BA services provided to the customer must be arranged through the CRES Provider who provides energy services to the customer.

Qualifications and other eligibility criteria for such entities are specified herein. CRES Providers, MSPs, MDMA and BAs are also subject to the rules and certification criteria established by the Commission for such entities as incorporated herein. CRES Providers, MSPs, MDMA and BAs are collectively referred to as Competitive Service Providers (CSPs).

Any customer who desires service from a CSP must first contract with a CRES Provider who will arrange for the provision of such services. The CRES Provider shall then notify the Company at least twelve (12) calendar days prior to the customer's ~~actual~~ regularly scheduled meter reading ~~or bill~~ date after which the customer will receive service from the CSP. All changes in CRES Provider shall occur at the end of the customer's regularly scheduled meter reading date. Any request to change a customer's CRES Provider received after twelve (12) calendar days prior to the customer's regularly scheduled meter reading date shall become effective the subsequent billing month.

Upon request, customers will be sent an information package containing a summary of the Customer Choice program and a current list of CRES Providers.

The list of CRES Providers will be provided to any customer upon request, all new customers, any customer who is dropped for nonpayment by a CRES Provider, and any customer who returns to the Company's Standard Offer Service due to default by a CRES Provider.

The list of CRES Providers will be posted on the Company's website. The list of CRES Providers will contain the names of those CRES Providers currently registered to enroll and actively seeking residential customers in the Company's service territory.

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31.4 CHANGING COMPETITIVE SERVICE PROVIDERS

Standard Offer Service will be provided under the Company's standard schedules.

Customers may change CSPs no more than once during any month subject to the provisions below.

Requests to change a customer's CRES Provider must be received by the Company from the new CRES Provider. If the Company receives such a request to change a customer's CRES Provider, the customer shall be notified by the Company concerning the requested change within two (2) business days. If the customer challenges the requested change, the change will not be initiated. Residential and General Service (excluding Mercantile) customers have seven (7) calendar days from the postmark date on the notice to contact the Company to rescind the enrollment request or notify the Company that the change of CRES Provider was not requested by the customer. Mercantile customers must contact the CRES Provider directly to stop the switch. Within two (2) business days after receiving a customer request to rescind enrollment with a CRES Provider, the Company shall initiate such rescission and mail the customer confirmation that such action has been taken.

Any request for initial service for a customer under the Company's open access distribution schedules or subsequent changes to a customer's MSP, MDMA and/or BA must be provided by the CRES Provider that provides energy services to the customer and arranges for such MSP, MDMA and/or BA services on behalf of the customer. The CRES Provider must obtain, and maintain documentation of, authorization from the customer for any changes in MSP, MDMA and/or BA.

A charge of \$5.00 will be assessed to the CRES Provider for each transaction in which a customer authorizes a change in one or more CSPs. However, this switching charge shall not apply in the following specific circumstances: (a) the customer's initial change to service under the Company's open access distribution schedules and service from a CRES Provider, (b) the customer's CRES Provider is changed involuntarily, (c) the customer returns to service from the customer's former CRES Provider following an involuntary change in CRES Provider, or (d) the customer's former CRES Provider's services have been permanently terminated and the customer must choose another CRES Provider.

In the event that a CSP's services are permanently terminated, and the CSP has not provided for service to the affected customers, the CSP shall send timely notification to the Company and the affected customers regarding the termination of such services. Such notification shall describe the process for selecting a new CSP and note that service will be provided by the Company under the Company's Standard Offer Service if a new CSP is not selected.

A customer's return to the Company's Standard Offer Service may be a result of customer choice, CRES Provider default, termination of a CRES Provider contract, opt out or termination of a governmental aggregation program, or CRES Provider withdrawal. A customer will be returned to Standard Offer Service only after the customer fails to choose an alternative CRES Provider.

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A customer may contact the Company and request to return to the Company's Standard Offer Service. The return to Standard Offer Service shall be conducted under the same terms and conditions applicable to an enrollment with a CRES Provider. The customer will have a seven (7) calendar day rescission period after requesting the Company's Standard Offer Service. Provided the customer has observed the applicable notification requirements and the Company has effectuated the request to return to Standard Offer Service at least twelve (12) calendar days prior to the next regularly scheduled meter reading date, the customer will be returned to Standard Offer Service on the next regularly scheduled meter reading date.

31.5 GENERAL PROVISIONS FOR COMPETITIVE SERVICE PROVIDERS

A CSP must comply with all rules and requirements established by the Commission pertaining, but not limited to, general business practices, information disclosure, customer contract rescission, dispute resolution, customer authorization for switching suppliers, termination of customer contracts, information exchange and supply obligations. A CSP must also agree to comply with all applicable provisions of the Company's open access distribution service schedules, Supplier Terms and Conditions of Service, Terms and Conditions of Open Access Distribution Service, and the applicable Open Access Transmission Tariff. A CSP must also comply with the National Electrical Safety Code if applicable to the service provided by the CSP.

A customer is not permitted to have partial Competitive Retail Electric Service. The CRES Provider(s) shall be responsible for providing the total energy consumed by the customer during any given billing month. In the event the CRES Provider fails to supply sufficient energy to serve its customers, the CRES Provider shall be responsible for payment for such energy as provided in Section 31.9 of these Supplier Terms and Conditions of Service.

31.6 TRANSMISSION SERVICE RTO SETTLEMENTS, AND RELIABILITY REQUIREMENTS

a. Transmission Service

Transmission service shall be made available under the terms and conditions contained within the applicable Open Access Transmission Tariff as filed with and accepted by the Federal Energy Regulatory Commission. CRES Providers may contract with the Transmission Provider for transmission service under the applicable Open Access Transmission Tariff. The Transmission Provider is the applicable regional transmission operator (RTO). PJM Interconnection L.L.C. (PJM) is currently the applicable RTO. All CRES Providers must complete all required actions relative to membership with the Transmission Provider and be authorized by the Transmission Provider to transact business with regard to transmission service.

The contracting entity or its designee is responsible for scheduling under the applicable Open Access Transmission Tariff. Unless other arrangements have been made, the scheduling entity will be billed by the Transmission Provider for transmission services. The contracting entity must also purchase or provide ancillary services as specified under the applicable Open Access Transmission Tariff.

Billing and payment shall be performed as specified in the applicable Open Access Transmission Tariff.

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Failure to obtain sufficient transmission service and ancillary services will result in a suspension of the CRES Provider's registration until resumption of such services by the CRES Provider occurs.

b. RTO Settlements

PJM performs settlements for transmission, capacity and energy obligations for CRES provider market participation on predefined intervals using metered customer load obligations and daily CRES Provider customer enrollment obligation data provided by AEP Ohio. AEP Ohio will make a best effort providing accurate load and customer obligation data. Energy is initially settled by PJM day-after load for CRES Providers, called "Settlement A." After final readings are available to AEP Ohio, supplier load obligation variances are reported to PJM, and PJM performs a final 60-Day energy settlement for the market, called "Settlement B." Until such time PJM establishes processes outside of the 60-day final settlement process, any errors, AEP Ohio will resettle capacity, and energy adjustments that are identified outside of this the 60-day process are considered closed and no corrected PJM energy market, but only up to twelve months after the 60-day period and only adjustments affecting billing shall be performed by the CRES Provider, or on behalf of the CRES Provider by AEP Ohio for their assigned customers, GS-2 or above with total adjustment amounts equal to or greater than 36,000 MWH or more in energy. Such adjustments shall be credited or assessed against each LSE in the AEP Ohio zone, as applicable, based upon corrected load shares during the adjustment period, and shall be identified on a specific line item for credits and/or assessments, and as a condition for doing business in the Company's service territory all CRES Providers will be deemed to have consented and agreed to permit any such resettlements to be completed by and through AEP Ohio and/or PJM.

The Company will make available on its website (<http://www.aepohio.com>) current settlement policies and calculation procedures including but not limited to CRES Provider capacity and energy obligations related to initial PJM "Settlement A", final 60-Day energy "Settlement B."

c. Reliability Requirements

A CRES Provider shall satisfy those applicable reliability requirements issued by the Commission, Transmission Provider, or any other governmental agency or North American Electric Reliability Corporation (NERC) or regional reliability council or their successor who has authority over the CRES Provider.

The Company will bill all customers for the following transmission services:

PJM LINE	CHARGES / CREDITS
1100	Network Integration Transmission Service
1108	Transmission Enhancement
1320	Transmission Owner Scheduling, System Control and Dispatch Service
1330	Reactive Supply and Voltage Control from Generation and Other Sources Service
1450	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch

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	Service
1930	Generation Deactivation
2130	Firm Point-to-Point Transmission Service
2140	Non-Firm Point-to-Point Transmission Service

Upon notification by the Company, all CRES Providers shall approve the Company's prepared Billing Line-Item Transfer (BLIT) through PJM's Billing Line Item Transfer Tool to allow charges and credits for the above transmission services to be assigned to the Company. All other transmission service charges and credits shall be the responsibility of the CRES Provider.

31.7 SUPPLIER CERTIFICATION WITH THE COMMISSION

Suppliers desiring to become CRES Providers must first be certified by the Commission and shall be subject to any certification criteria adopted by the Commission according to Section 4928.08, Ohio Revised Code.

31.8 CRES PROVIDER REGISTRATION WITH THE COMPANY

CRES Providers desiring to provide Competitive Retail Electric Service to customers located within the Company's Service Territory must register with the Company. The following requirements must be completed by the CRES Provider in order to register with the Company:

- a. Proof of certification by the Commission, including any information provided to the Commission as part of the certification process. The registration process may be initiated upon receipt by the Company of an application for certification by the Commission. However, the Company will not complete the registration process until proof of certification by the Commission has been provided.
- b. A completed copy of the Company's CRES Provider Registration Application for the State of Ohio, along with a non-refundable \$100.00 registration fee payable to the Company.
- c. A \$100.00 annual registration fee payable to the Company which shall be due October 31 of the first calendar year following the year of the initial registration and each calendar year thereafter.
- d. Credit information and security requirements that satisfy Section 31.9 CRES Provider Credit Requirements to be held by the Company against CRES Provider defaults and a description of the CRES Provider's plan to procure sufficient electric energy and transmission services to meet the requirements of its firm service customers.
- e. The name of the CRES Provider, business and mailing addresses, and the names, telephone numbers and e-mail addresses of appropriate contact persons, including the 24-hour emergency contact telephone number and emergency contact person(s).
- f. Details of the CRES Provider's dispute resolution process for customer complaints.

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- g. An executed Electric Distribution Company/Competitive Retail Electric Service Provider Agreement including a signed statement by the officer(s) of the CRES Provider committing it to adhere to the Company's Open Access Distribution Schedules, Terms and Conditions of Open Access Distribution Service, Supplier Terms and Conditions of Service and any additional requirements stated in any agreement between the CRES Provider and the Company regarding services provided by either party.
- h. Submission of necessary forms for, and successful completion of EDI certification testing for applicable transaction sets necessary to commence service, performed quarterly by the Company.
- i. Submission of the necessary form to authorize the Company to remit payment to CRES Provider's bank account upon receipt of customer payment of consolidated energy charges
- j. Submission of the CRES Provider's IRS Form W-9.
- k. For evidence of PJM membership, submission of a copy of executed Schedule 4 of the PJM Operating Agreement between the CRES Provider and PJM.
- l. Confirmation that the PJM account information submitted on the registration application above is specific to AEP Ohio load only.
- m. The Company shall approve or disapprove the CRES Provider's registration within thirty (30) calendar days of receipt of complete registration information from the CRES Provider. The thirty (30) day time period may be extended for up to thirty (30) days for good cause shown, or until such other time as is mutually agreed to by the CRES Provider and the Company.

The Company will notify the CRES Provider of incomplete registration information within ten (10) calendar days of receipt. The notice to the CRES Provider shall include a description of the missing or incomplete information.

The Company may reject a CRES registration for any of the following reasons:

- a. The CRES Provider has been identified by the Company as not satisfying the CRES Provider Credit Information and security requirements.
- b. The Company has provided written notice to the CRES Provider that a registration is incomplete and the CRES Provider has failed to submit a completed registration within thirty (30) calendar days of the notification.
- c. The CRES Provider has failed to comply with payment and billing requirements as specified in these Supplier Terms and Conditions of Service.

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- d. The CRES Provider has failed to comply with all applicable requirements of the Transmission Provider Open Access Transmission Tariff for its registration to be accepted as complete.
- e. The CRES Provider has failed to execute an Electric Distribution Utility/Competitive Retail Electric Service Provider Agreement, and/or has not successfully completed EDI testing for applicable transaction sets necessary for the commencement of service.

The Company shall not be required to provide services to a CRES Provider unless the CRES Provider is current in its payment of all charges owed under these Supplier Terms and Conditions of Service, Terms and Conditions of Open Access Distribution Service.

CRES Providers shall be solely responsible for having appropriate contractual or other arrangements with their customers necessary to implement Competitive Retail Electric Service consistent with all applicable laws, Commission requirements, Transmission Provider Open Access Transmission Tariff and these Supplier Terms and Conditions of Service. The Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

Nothing in these Supplier Terms and Conditions of Service is intended to prevent a CRES Provider and a customer from agreeing to reallocate between them any charges that these Supplier Terms and Conditions of Service impose on the CRES Providers, provided that any such agreement shall not change in any way the CRES Provider's obligation to pay such charges to the Company, and that any such agreement shall not confer upon the Company any right to seek recourse directly from the CRES Provider's Customer for any charges owed to the Company by the CRES Providers

Customers of a CRES Providers remain bound by the rules and requirements of the applicable Company Tariff under which they receive service from the Company.

31.9 CRES PROVIDER CREDIT REQUIREMENTS

a. Credit Application

AEP Ohio will review the credit information supplied in CRES Provider Registration Application for the State of Ohio to be considered for participation in the Company's Choice Program. As part of the CRES Provider Registration Application, the CRES Provider must provide the Company, with its or its proposed guarantor's most recent independently-audited financial statements, or Form 10K (if applicable), for the last three fiscal years, and its or its proposed guarantor's most recent quarterly unaudited financial statements or Form 10-Q (if applicable) and other financial and other pertinent credit information.

b. Security Requirements.

The amount of the security required must be and remain commensurate with the financial risks placed on the Company by that CRES Provider, including recognition of that CRES Provider's performance. The Company will provide an initial estimate of the CRES Provider's security requirements, and on a forward/ongoing basis, the Company will calculate the amount of the CRES Provider's security requirements and provide notifications, from time to time, as to the amount of security required of the CRES Provider.

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CRES Provider will meet and satisfy any requests for security required no later than the third business day after the Company's request. Upon request, information regarding the calculation of security requirements will be provided by the Company.

The Company will apply, on a non-discriminatory and consistent basis, reasonable financial standards to assess and examine a CRES Provider's ability to meet the security requirements. These standards will take into consideration the scope of operations of each CRES Provider, financial and other pertinent credit information and the level of risk to the Company. This determination will be aided by appropriate data concerning the CRES Provider, including load data or reasonable estimates thereof, where applicable.

The Company will review and determine if the CRES Provider has, and maintains, stable, or better, minimum investment grade senior unsecured (un-enhanced) long-term debt ratings from any two of the following three rating agencies; provided, however, that the Company may limit the amount of unsecured credit to be granted to such CRES Provider if the Company reasonably determines that such limitation is necessary to protect the Company from an unacceptable level of risk. If the CRES Provider or its guarantor is rated by only two rating agencies and the ratings are split, the lower rating will be used. If the CRES Provider or its guarantor is rated by three rating agencies and the ratings are split, the lower of the two highest ratings will be used; provided that, in the event that the two highest ratings are common, such common rating will be used.

AGENCY	SENIOR UNSECURED LONG-TERM DEBT RATINGS
Standard & Poor's Rating Services	BBB- or higher
Moody's Investors' Services, Inc.	Baa3 or higher
Fitch Ratings	BBB- or higher

The Company shall make reasonable alternative credit arrangements with a CRES Provider that is unable to meet the minimum investment grade rating requirements set forth above to satisfy the security requirements or with those CRES Providers whose security requirements exceed their allowed unsecured credit limit. The CRES Provider may choose from any of the following credit arrangements, which must be in an acceptable format: (i) a guarantee of payment on behalf of CRES Provider from (a) a related U.S. entity who meets the minimum investment grade rating requirements in the Company's prescribed guaranty format; or (b) a related foreign (non-U.S.) entity who meets the minimum investment grade rating requirements and uses the Company's prescribed guaranty format (or a format mutually acceptable to Company and such entity that provides substantially similar credit protections to the credit protections provided to the Company by the Company's prescribed guaranty format for a related U.S. entity) and complies with the Company's requirement for foreign guarantors by meeting the following minimum requirements: (1) such guaranty is a financial guaranty, not a performance guaranty, (2) such guaranty must be an unconditional guaranty of payment of all amounts due from CRES Provider pursuant to Section 31.24, and the Company Tariff and EDU Registration Agreement and all other agreements must be expressly identified in the guaranty, and satisfaction of obligations through performance may not be authorized, (3) such guaranty may be terminated upon not less than sixty (60) days prior written notice to AEP Ohio, which termination shall be effective only upon receipt by the Company of alternative means of security or credit Filed pursuant to Order dated April 25, 2018~~February 25, 2015~~ in Case No. 16-1852-EL-SSQ13-2385-EL-SSQ

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support, as specified in the Tariff, and when such termination is effective, obligations existing prior to the time the expiration or termination is effective, shall remain guaranteed under such guaranty until finally and fully performed; (4) certification from guarantor that form of guaranty has been in general use by the submitting party in its ordinary course of business over the past twelve months, subject to changes needed to conform to the Company's minimum requirements, (5) the guaranty must be a guaranty of payment, and not of collection; (6) assignment of such guaranty shall not be permitted by the guarantor without the prior written consent of the Company, (7) an enforceability opinion from the entity's outside counsel from a law firm of national (i.e. United States) standing;

-(ii) an irrevocable Letter of Credit (as further defined below);

(iii) a cash deposit from the CRES Provider in U.S. Dollars, provided, further if a third party is providing such cash deposit for and on behalf of the CRES Provider, the Company may accept such deposit from a third party if it otherwise meets AEP Ohio's security requirements-: OR ;

(iv) a Surety Bond issued by a financial institution with at least an "A" rating or higher as rated by AM Best and/or an "A" rating or higher from Standards & Poor's, valid for a period of not less than one year and renewable annually; with terms and conditions that require payment within ten (10) days after delivery by the Company of a written demand to Surety for payment, and the terms and conditions of the Surety provides substantially similar credit protections to the credit protections provided to the Company by the other forms of acceptable collateral, including without limitation a waiver of the supplier's right to assert against the Company any defense (legal or equitable), counterclaim, setoff, cross-claim, or any other claim, an express waiver and agreement not to assert any defenses arising out of bankruptcy, insolvency, dissolution or liquidation of the supplier, including, without limitation, any defense relating to the automatic stay.

The amount and type of the security required must be and remain commensurate with the financial risks placed on the Company by that CRES Provider, including recognition of that CRES Provider's performance. "Letter of Credit" means a standby irrevocable letter of credit acceptable to the Company issued by a U.S. bank or financial institution with a minimum "A-" senior unsecured debt rating (or, if unavailable, corporate issuer rating) from S&P or a minimum "A3" senior unsecured debt rating (or, if unavailable, corporate issuer rating) from Moody's, in a format acceptable to and approved by the Company. An acceptable and approved Letter of Credit format is available at the Company's website.

c. Interest on Cash Deposits

The Company will allow simple interest on cash deposits calculated at the Federal Funds Rate over the time period the cash is on deposit. In cases of discontinuance or termination of services, cash deposits will be returned with accrued interest upon payment of all Charges, guarantees and with deduction of unpaid accounts.

d. On-going Security Maintenance

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The Company reserves the right to review each CRES Provider's security requirements at any time. The CRES Provider must provide current financial and credit information. In addition, the CRES Provider may request re-evaluation at any time. It is anticipated that demand, unanticipated market movements and economic reasons will result in security requirements nearing or exceeding the prescribed amount of security. It is also noted that additional security may be required due to a degradation of the amount or form of security held, or repayment ability of a CRES Provider. Any subsequent review or re-evaluation of a CRES Provider's creditworthiness may result in the CRES Provider being required to post security not previously requested. The new, additional or change in the security requirement will be necessary to enhance, restore or maintain the Company's protection from financial risks placed on the Company. In the alternative, the Company may limit a CRES Provider's level of participation or remove the CRES Provider from further participation in the Company's Choice Program.

e. Grant of Security Interest in Collateral.

To secure the CRES Provider's obligations under this Tariff and to the extent the CRES Provider delivers collateral to the Company ("Secured Party") in the form of cash or cash equivalent collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of or for the benefit of, such Secured Party, and the CRES Provider agrees to take such action as the Company reasonably requires in order to perfect the Secured Party's first-priority security interest in, and lien on (and rights of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or any time after the occurrence and during the continuation of an Event of Default, the Company may do any one or more of the following: (i) exercise any of the rights and remedies of a Secured Party with respect to all collateral, including any of the rights and remedies under law then in effect; (ii) exercise its rights of setoff against any and all property of the CRES Provider in the possession of the Company or Company's agent; (iii) draw on any outstanding Letter of Credit issued for its benefit; and (iv) liquidate all collateral then held by or for the benefit of the Secured Party free from any claim or right of any nature whatsoever of the CRES Provider. As a Secured Party, the Company shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce the CRES Provider's obligations under the Agreement, with the CRES Provider remaining liable for any amounts owing to the Company after such application.

31.10 CUSTOMER ENROLLMENT PROCESS

a. Pre-Enrollment Customer Information List

Upon request, the Company will electronically provide to any CRES Provider certified by the Commission the most recent Customer Information List. The Company may request the CRES Provider to pay a one-time fee of \$150.00 per Company rate zone list provided.

The Company will offer the Customer Information List with updates available monthly. Once the list has been updated, a CRES Provider must use the most current Customer Information List to contact customers, but CRES Providers shall not be required to purchase subsequent lists.

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The Company will provide customers the option to have all the customer's information listed in the section below removed from the Customer Information List. At the same time, the Company will also provide customers with the option to have all information listed below reinstated on the Customer Information List. Customers will be notified of such options quarterly.

The following information will be provided on the Customer Information List for each customer who has not requested that all information be removed from this list:

Customer name
Service address
Service city
Service state and zip code
Mailing address
Mailing city
Mailing state and zip code
Rate schedule under which service is rendered
Rider (if applicable)
Customer load profile reference category
Switched Status
Meter type (if readily available)
Whether the service address is set to Net Metering status
Mercantile Customer Indicator
Interval meter data indicator (if readily available)
Budget bill / PIPP indicator
Meter reading cycle
Most recent twelve (12) months of historical consumption data (actual energy usage and demand, current and future Peak Load Contribution and Network Service Peak Load, if available) (provided in values of four or more digits)
Total premise loss factor value

The Company will provide the Customer Information List electronically or on a designated website. The information will be prepared and distributed in a uniform and useable format that allows for data sorting. Customers participating in the percentage of income payment plan (PIPP) program will be coordinated exclusively through the PIPP program administered by the Ohio Department of Development.

b. CRES Provider Requests for Customer Information

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CRES Providers certified by the Commission may request historical interval meter data through an Electronic Data Interchange transaction ("EDI Transaction") after receiving the appropriate customer authorization. The interval meter data will be transferred in a standardized EDI transaction. The CRES Provider will be responsible for the incremental costs incurred to prepare and send such data.

c. CRES Provider Enrollment Requests

Enrollment of a customer is done through an Electronic Data Interchange enrollment ("EDI Enrollment"), which may be submitted only by a CRES Provider.

EDI Enrollments will be effective at the end of the customer's next regularly scheduled meter reading date provided that the EDI Enrollment is received by the Company at least twelve (12) calendar days before the next meter reading date.

All EDI Enrollments will be submitted to the Company no more than thirty (30) calendar days prior to the scheduled meter reading date when the CRES Provider desires the switch to occur, unless otherwise agreed upon by the parties. The Company will process all valid EDI Enrollments and send the confirmation notice to the customer within two (2) business days. Simultaneous with the sending of the confirmation notice to the customer, the Company will electronically advise the CRES Provider of acceptance. Notice of rejection of the EDI Enrollment to the CRES Provider shall be sent within one business day, if possible, but in no event later than four (4) calendar days, and include the reasons for the rejection. The customer has seven (7) calendar days from the confirmation notice to cancel the contract without penalty. If the customer cancels the contract, the Company shall send a drop notice to the CRES Provider and the previous CRES Provider will continue to serve the customer under the terms and conditions in effect prior to submission of the new EDI Enrollment.

EDI Enrollments will be processed on a "first in" priority basis based on the received date, and using contract date as the tie-breaker. Any subsequent EDI Enrollments received within the same billing cycle will be rejected and returned to the CRES Provider who submitted the EDI Enrollment.

To receive service from a CRES Provider, a customer must have an active service account with the Company. After the service account is active, a CRES Provider may submit an EDI Enrollment as described herein.

d. Government Aggregation Customer Information List

Upon request, the Company will provide to any governmental aggregator certified by the Commission a Government Aggregation Customer Information List. The Company will provide the Government Aggregation Customer Information List by an electronic medium that the Company deems appropriate. The information will be prepared and distributed in a uniform and useable format that allows for data sorting.

The list will include information for all customers residing within the governmental aggregator's boundaries based upon the Company's records, including an identification of customers who are currently in contract with a CRES provider or in a special contract with the Company. The list will also include those

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customers that elect to have their information removed from the Pre-Enrollment Customer Information List. The Company cannot guarantee that the list will include all of the customers residing within the aggregator's boundaries, nor can the Company guarantee that all the customers shown on the list reside within the aggregator's boundaries. In addition to all information included on the Pre-Enrollment Customer Information List, the Government Aggregation Customer Information List shall also include the customer's Service Delivery Identifier (SDI).

The Company will notify CRES Providers in advance of any proposed changes to the actual format or file containing its Government Aggregation Customer Information List.

31.11 CONFIDENTIALITY OF INFORMATION

All confidential or proprietary information made available by one party to the other in connection with the registration of a CRES Provider with the Company and/or the subsequent provision and receipt of service under these Supplier Terms and Conditions of Service, including but not limited to load data, and information regarding the business processes of a party and the computer and communication systems owned or leased by a party, shall be used only for purposes of registration with the Company, receiving or providing service under these Supplier Terms and Conditions of Service and/or providing Competitive Retail Electric Service to customers in the Company's service territory. Other than disclosures to representatives of the Company or the CRES Provider for the purposes of enabling that party to fulfill its obligations under these Supplier Terms and Conditions of Service or for the CRES Provider to provide Competitive Retail Electric Service to customers in the Company's service territory, a party may not disclose confidential or proprietary information without the prior authorization and/or consent of the other party.

The CRES Provider shall keep all customer-specific information supplied by the Company confidential unless the CRES Provider has the customer's written authorization to do otherwise.

31.12 LOSSES

The Transmission Provider may provide both transmission and distribution losses as required to serve customers at various delivery voltages. Customers served at transmission and subtransmission voltages require no additional losses other than the losses specified in the applicable Open Access Transmission Tariff. Customers served at primary distribution voltage require 2.0% additional average losses of amounts received by the Company for delivery to the customer. Customers served at secondary distribution voltage require 5.4% additional average losses of amounts received by the Company for delivery to the customer.

31.13 METER SERVICE PROVIDERS (MSPs)

Meters shall be provided and maintained by the Company unless the customer selects a MSP to provide metering services. Unless otherwise specified, such meters shall be and remain the property of the Company. MSPs desiring to provide service to customers in the Company's Service Territory must submit a written application to the Company in order to provide metering services for ownership, installation, inspection and auditing. Such application shall include the following:

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- a. A \$500.00 initial registration fee payable to the Company and a \$100.00 annual registration fee thereafter.
- b. Proof of creditworthiness to the Company, including an appropriate financial instrument to be held by the Company and used in the event of damages as a result of the MSP's actions.
- c. The name of the MSP, business and mailing addresses, and the names, telephone numbers and e-mail addresses of appropriate contact persons, including the 24-hour emergency contact telephone number and emergency contact person(s).
- d. Details of the MSP's dispute resolution process for customer complaints.
- e. A signed statement by the officer(s) of the MSP committing it to adhere to the Company's open access distribution schedules, Terms and Conditions of Open Access Distribution Service, Supplier Terms and Conditions of Service and any additional requirements stated in any agreement between the MSP and the Company regarding services provided by either party.
- f. Proof of an electrical subcontractor's license issued by the Ohio Department of Commerce, including the name of the person or entity to which the license has been issued, license number and expiration date. Certification may require an employee to be a licensed electrician in the service area where work is performed.
- g. Description of the (a) applicant's electric meter installation, maintenance, repair and removal experience, (b) applicant's training and experience regarding electrical safety and (c) educational and training requirements in electrical work and safety that the MSP will require from its employees before they are permitted to install, maintain, repair or remove electric meters or metering devices.

The MSP must also agree to the following standards for metering services:

- a. The Company must approve the type of any and all metering equipment to be installed. Such metering and practices must conform with the Company's metering service guides and standards and must comply with the Meter Testing provision of the Company's Terms and Conditions of Open Access Distribution Service. A written agreement between the Company and the MSP shall specify those categories or types of meters for which the MSP is certified to install/remove or test/maintain.
- b. The MSP shall allow the Company to disconnect the MSP's meter, or promptly perform a disconnection as notified by the Company where a customer's service is subject to disconnection due to non-payment of distribution charges. The Company shall be permitted to audit the meter accuracy of MSP meters and to disconnect or remove a MSP's meter when necessary to maintain the safe and reliable delivery of

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electrical service. The MSP is responsible to acquire the right of ingress and egress from the customer to perform its functions. When necessary, the MSP must also seek written approval and secure from the customer any keys necessary to access locked premises.

- c. The MSP is responsible for detecting and immediately notifying the Company of hazardous conditions noted at the customer's electrical service and meter installation.
- d. The MSP is responsible for recording and notifying the Company of conditions detected on the customer's premises which present potential for injury.
- e. The MSP shall be responsible for conforming to Company standards for sealing and resealing meters as well as properly resetting and sealing demand measurement devices.

31.14 METER DATA MANAGEMENT AGENTS (MDMAs)

MDMAs desiring to provide service to customers in the Company's Service Territory must submit a written application to the Company in order to provide any meter reading or data management services. Such application shall include the following:

- a. A \$100.00 annual registration fee payable to the Company.
- b. Proof of creditworthiness to the Company, including an appropriate financial instrument to be held by the Company and used in the event of damages as a result of the MDMA's actions.
- c. The name of the MDMA, business and mailing addresses, and the names, telephone numbers and e-mail addresses of appropriate contact persons, including the 24-hour emergency contact telephone number and emergency contact person(s).
- d. Details of the MDMA's dispute resolution process for customer complaints.
- e. A signed statement by the officer(s) of the MDMA committing it to adhere to the Company's Open Access Distribution Schedules, Terms and Conditions of Open Access Distribution Service, Supplier Terms and Conditions of Service and any additional requirements stated in any agreement between the MDMA and the Company regarding services provided by either party.
- f. Description of the (a) applicant's experience in meter reading, data validation, editing and estimation, and other data management activities and (b) educational and training requirements that the MDMA will require from its employees before they are permitted to perform such meter reading, data validation, editing and estimating and other data management activities.

The MDMA must also agree to the following standards for meter data management services:

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- a. All billing meters shall be read each month, unless otherwise mutually agreed to by the MDMA and the Company.
- b. Meter data shall be read, validated, edited and transferred pursuant to Commission and Company approved standards. The Company and the MDMA must agree to common data formats for the exchange of validated data.
- c. The Company shall have reasonable access to the MDMA data server.
- d. The MDMA shall provide to the appropriate entities reasonable and timely access to meter data as required for billing, settlement, scheduling, forecasting and other functions.
- e. The MDMA shall retain the most recent twelve (12) months of data for any customer who elects the MDMA to perform meter reading and data management services. Such data must be retained for a minimum period of 36 months and must be released upon request to either the customer or an entity authorized by the customer.
- f. Within five (5) business days after the installation of a meter, the MDMA must confirm with the Company that the meter and meter reading system are working properly and that the billing data is valid.
- g. No more than 10% of the individual meters read by the MDMA shall contain estimated data, with no single account being estimated more than two consecutive months. Estimated data must be based on historical data and load profile data as provided by the Company.
- h. The MDMA shall comply with the Company's time requirements for the posting of validated meter reading data on the MDMA server.
- i. The MDMA is responsible for acquiring the right of ingress and egress from the customer to perform its functions. When necessary, the MDMA must also seek written approval and secure from the customer any keys necessary to access locked premises.
- j. The MDMA is responsible for identifying suspected cases of the unauthorized use of energy and shall report such concerns to the customer's CRES Provider, Transmission Provider and the Company. The CRES Provider shall resolve such concerns and pursue the appropriate legal response and all necessary parties shall support this action. The customer's supplier of meter services (MSP or the Company) shall make the necessary meter corrections and/or repairs, and then notify the MDMA who shall correct the previous meter usage data and provide to the appropriate entities such data as required for billing, settlement, scheduling, forecasting and other functions. Any billing corrections shall be consistent with the provisions of the Company's Terms and Conditions of Service for Open Access Distribution Service.
- k. The MDMA is responsible for detecting and immediately notifying the Company of hazardous conditions noted at the customer's electrical service and meter installation.

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- l. The MDMA is responsible for recording and notifying the Company of conditions detected on the customer's premises which present potential for injury.
- m. The MDMA shall be responsible for conforming to Company standards for sealing and resealing meters as well as properly resetting and sealing demand measurement devices.

If no entity satisfies the above criteria, the Company shall act as the MDMA. As long as the Company is acting as the MDMA, the Company shall read the meters of the CRES Provider's customers in accordance with the Company's meter reading cycles, which the Company intends to have posted to its website at <http://www.aepohio.com>. Within three (3) business days of the meter read date, the Company shall electronically transmit the usage information for the CRES Provider's customers to the CRES Provider.

The Company may conduct periodic workshops with CRES Providers to solicit input regarding additional data elements that may be appropriate for inclusion in the electronic system used to transmit usage information.

31.15 CONSOLIDATED BILLING BY A BILLING AGENT (BA)

BAs desiring to provide service to customers in the Company's Service Territory must submit a written application to the Company in order to provide consolidated billing related services to customers. Such application shall include the following:

- a. A \$100.00 annual registration fee payable to the Company.
- b. Proof of creditworthiness to the Company, including an appropriate financial instrument to be held by the Company and used in the event of damages as a result of the BA's actions.
- c. The name of the BA, business and mailing addresses, and the names, telephone numbers and e-mail addresses of appropriate contact persons, including the 24-hour emergency contact telephone number and emergency contact person(s).
- d. Details of the BA's dispute resolution process for customer complaints.
- e. A signed statement by the officer(s) of the BA committing it to adhere to the open access distribution schedules, Terms and Conditions of Open Access Distribution Service, Supplier Terms and Conditions of Service and any additional requirements stated in any agreement between the BA and the Company regarding services provided by either party.
- f. Description of the (a) applicant's training and experience in billing collections, payment services and billing inquiries and (b) educational and training requirements for BA employees regarding such services.
- g. The Company and the BA must agree to common data formats for the exchange of billing data.

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A written agreement between the Company and the BA shall specify the bill format regarding transmission and distribution related services. Regardless of such format, each customer's bill rendered by the BA shall show charges for generation, transmission, distribution and other services covered under the particular bill and also indicate the provider of each service.

The BA must agree to be subject to the same provisions as the Company, including requirements as specified in the Company's Open Access Distribution Schedules, Terms and Conditions of Open Access Distribution, Ohio Revised Code, and all other legislative and regulatory mandates regarding billing. The BA is responsible for electronically transmitting funds received from the customer for charges from Company for distribution service, together with the associated customer account data, on the same day as receiving said funds. The BA assumes responsibility for outstanding distribution service charges from the Company and is responsible for providing payment in full of all charges for distribution service from the Company by the due date in accordance with terms of the applicable open access distribution schedule. Failure of the BA to transmit such funds by the due date will result in late charges applied to the affected customer's account according to the provisions of the customer's open access distribution schedule. If the BA fails to provide payment to the Company by the due date of the next bill, the Company will thereafter directly bill the customer for distribution service from the Company. In addition, the financial instrument will be forfeited to the extent necessary to cover bills due and payable to the Company.

31.16 CONSOLIDATED BILLING BY THE COMPANY

Upon request, pursuant to Section 31.22 of these Supplier Term and Conditions of Service, the Company will offer rate-ready or bill-ready Company-issued consolidated bills to customers receiving service from a CRES Provider upon designation of the rate-ready or bill-ready option, as applicable, in the Electric Distribution Utility/ Competitive Retail Electric Service Provide Agreement. Company-issued consolidated billing will include budget billing as an option. The CRES Provider must electronically provide all information in a bill-ready format.

31.17 METERING AND LOAD PROFILING

All customers with a maximum monthly billing demand of 200 kW or greater for the most recent twelve (12) months shall install a dedicated phone line, or other mechanism deemed to be sufficient by the Company to enable interval metering and be interval metered. The customer or the customer's CRES Provider may request an interval meter for customers with maximum monthly billing demands less than 200 kW.

The cost and repair of any interval metering facilities installed by the Company to comply with this requirement or as a result of such request shall be paid by the customer. The customer shall make a one-time payment for the metering facilities at the time of installation of the required facilities, or at the customer's option, up to 24 consecutive equal monthly payments reflecting an annual interest charge as determined by the Company, but not to exceed the cost of the Company's most recent issue of long-term debt. If the customer elects the installment payment option, the Company shall require an initial payment

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equal to 25% of the total cost of the metering facilities. Any necessary replacement of the meter where repair is not possible will be performed at cost, based upon premise installation and load requirements.

In addition, the customer shall pay a net charge to cover the incremental cost of operation and maintenance and meter data management associated with such interval metering as follows: Charges are for service performed on a Company installed standard interval meter.

Service Performed During Normal Business Hours	Charge (\$)
Connect phone line to meter at a time other than the initial interval meter installation	57.00
Perform manual meter reading	43.00
Check phone line and perform manual meter reading due to communication loss	47.00
Replace surge protector	119.00
Replace modem board	210.00

The customer or the customer's CRES Provider may select a meter from the Company's approved equipment list. The customer or the customer's CRES Provider may communicate with the meter for the purpose of obtaining usage data, subject to the Company's communication protocol. The customer is responsible for providing a dedicated analog telephone line phone line, or other mechanism deemed to be sufficient by the Company, for purposes of reading the meter.

If an interval meter is required, the Customer must approve a work order for an interval meter installation before the Company will accept an enrollment EDI transaction. For Customers that will have an interval meter installed for the requested service, service may begin, assuming the Company has an approved work order for the interval meter installation. A Company load profile will be used for settlement. Consumption meter reads will continue to be used for billing. This will be the approach during the period between the Customer's request for an interval meter and the Company's installation of such a meter.

All load profiling shall be performed by the Company. Sample data and customer specific interval metering, when available, will be used in the development of the total load profile for which a CRES Provider is responsible for providing generation and possibly arranging transmission services. Such data shall be provided to the BA or other entities as required for monthly billing.

The Company, acting as a designated agent for the CRES Provider, will supply hourly load data to Transmission Provider, for the CRES Provider. The Company will provide this data in accordance with the Transmission Provider Open Access Transmission Tariff, including estimates when necessary. The Company will be held harmless for any actions taken while performing agent

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responsibilities— unless demonstrated to have negligently misread the meter data or negligently provided inaccurate data. Meter data collected by the Company shall be used to calculate the quantity of energy actually consumed by a CRES Provider's end-use customers for a particular period. Such collection shall occur at the time of an end-use customer's monthly meter read. Thus, in order to measure the energy consumed by all end-use customers on a particular day, at least one month is required for data collection. It is the responsibility of the CRES Provider to understand this process.

Data from monthly-metered end-use customers is collected in subsets corresponding to end-use customer billing cycles, which close on different days of the month. The Company shall convert such meter data, including estimates, for end-use customers to the equivalent hourly usage. Metered usage will be applied to customer segment load curves to derive an estimate for the hour-by-hour usage.

Data from interval-metered end-use customers will also be collected at least monthly by the Company on a billing cycle basis. Nothing in this section shall prohibit the use of interval usage for settlement purposes if agreed to in the future.

~~Company on a billing cycle basis.~~

31.18 DEPOSITS

Security for the payment of bills for service from a CRES Provider will be governed, as specified in Chapter 4901:1-21-07 of the Ohio Administrative Code, which is herein incorporated by reference as it is from time to time amended.

31.19 LIABILITY AND INDEMNIFICATION

a. General Limitation on Liability

The Company shall have no duty or liability with respect to Competitive Retail Electric Service before it is delivered by a CRES Provider to an interconnection point with the AEP Rate Zone. After its receipt of Competitive Retail Electric Service at the point of delivery, the Company shall have the same duty and liability for transmission and distribution service to customers receiving Competitive Retail Electric Service as to those customers receiving electric energy and capacity from the Company. The Company shall have no liability to a CRES Provider for any consequential, indirect, incidental, special, ancillary, punitive, exemplary, or other damages, including lost profits, lost revenues, or other monetary losses arising out of any errors or omissions.

b. Limitation on Liability for Service Interruptions and Variations

The company does not guarantee continuous regular and uninterrupted supply of service. The Company may, without liability, interrupt or limit the supply of service for the purpose of making repairs, changes, or improvements in any part of its system for the general good of the service or the safety of the public or for the purpose of preventing or limiting any actual or threatened instability or disturbance of the system. The Company is also not liable for any damages due to

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accident, strike, storm, riot, fire, flood, legal process, state or municipal interference, or any other cause beyond the Company's control.

c. Additional Limitations On Liability In Connection With Direct Access.

Except as provided in the Company's Supplier Terms and Conditions of Service, the Company shall have no duty or liability to a CRES Provider providing Competitive Retail Electric Services arising out of or related to a contract or other relationship between a CRES Provider and a customer of the CRES Provider. The Company shall implement customer selection of a CRES Provider consistent with applicable rules of the Commission and shall have no liability to a CRES Provider providing Competitive Retail Electric Services arising out of or related to switching CRES Provider, unless and to the extent that the Company is negligent in switching or failing to switch a customer.

d. Commission Approval of Limitations on Liability.

The Commission approval of the above language in respect to the limitation of liability arising from the Company's negligence does not constitute a determination that such limitation language should be upheld in a court of law. Approval by the Commission merely recognizes that since it is a court's responsibility to adjudicate negligence and consequential damage claims, it should also be the court's responsibility to determine the validity of the exculpatory clause.

e. Indemnification.

To the fullest extent permitted by law, the CRES Provider shall defend, indemnify and hold harmless the Company from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including the Company's employees or any third parties, or any other liability incurred by the Company, including reasonable attorneys' fees, relating to performance under these Supplier Terms and Conditions of Service, except to the extent that a court of competent jurisdiction determines that the losses, expenses or damage were caused wholly or in part by any grossly negligent or willful act of omission of the Company.

The CRES Provider's obligation to defend, indemnify and hold harmless under this Article shall survive termination of the Electric Distribution Utility/Competitive Retail Electric Service Provider Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the CRES Provider under any statutory scheme, including any workers compensation acts, disability benefit acts or other employee benefit acts.

31.20 COMPETITIVE SERVICE PROVIDER'S LIABILITY

In the event of loss or injury to the Company's property through misuse by, or negligence of, the CRES Provider, MSP, MDMA or BA, or the CSP's agents and employees, the CSP shall be obligated and shall pay to the Company the full cost of repairing or replacing such property.

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Unless authorized by the Company to do so, a CSP and its agents and employees shall not tamper with, interfere with or break the seals of meters or other equipment of the Company installed on the customer's premises, and, under any circumstances, the CSP assumes all liability for the consequences thereof. The CSP agrees that no one, except agents and employees of the Company, shall be allowed to make any internal or external adjustments to any meter or other piece of apparatus which belongs to the Company.

31.21 METER ACCURACY AND TESTS

A MSP's meter performance levels, testing methods and test schedules must comply with all standards specified by the Company. Such details shall be specified in the agreement between the Company and the MSP.

When metering is provided by an MSP, the Company may, at its discretion, direct meter-related inquiries from the customer to the MSP for response, or the Company may send notification to the MSP to perform a test of the accuracy of its meter. At the MSP's request, or should the MSP fail to perform a customer-requested test in a timely manner, the Company, at its discretion, may agree to test the accuracy of a meter supplied by the MSP. Regardless of the test results, the MSP shall pay to the Company a flat amount equal to the Company's current average cost of performing such meter tests. Such test will be conducted using a properly calibrated meter standard.

The Company, at its discretion, may perform a test of the accuracy of a meter supplied by the MSP at any time. If the meter fails to perform at the accuracy standards set forth in the Company's Terms and Conditions of Open Access Distribution Service, the MSP will be responsible to remedy the accuracy of the meter, and to pay to the Company a flat amount equal to the Company's current average cost of performing such meter tests.

31.22 BILLING SERVICES

a. Billing Options

A CRES Provider must select a billing option for each of its customer accounts. The billing options are limited to the following: (1) separate billing by the Company and the CRES Provider, (2) Company Consolidated Rate-Ready Billing, or (3) Company Consolidated Bill-Ready Billing. Nothing in these Supplier Terms and Conditions of Service shall require the Company to bill customers manually. Thus, if the CRES Provider is offering price plans that are not considered by the Company as standard rates, the Company will provide the CRES Provider with sufficient meter data on a timely basis so that the CRES Provider can bill the customer directly under the separate billing method or can opt for Company Consolidated Bill-Ready Billing or Company Consolidated Rate-Ready billing. The billing option must be selected by the time the CRES Provider completes EDI testing. If the Company inaccurately applies the usage information to the rates approved by the CRES Provider for Company Consolidated Rate-Ready Billing, the CRES Provider shall notify the Company immediately and the Company shall make a correction in a succeeding billing period. The CRES Provider

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is responsible for receiving and resolving all customer rate disputes involving charges for services received from the CRES Provider. The Company may provide input to customer rate dispute processes to the extent necessary. From and after the date of termination of Company Consolidated Rate-Ready Billing or Company Consolidated Bill-Ready Billing, the Company shall have no further obligation beyond presenting the CRES Provider's charges for services rendered and to collect and remit payments to the CRES Providers on charges presented to the customer prior to such date of termination.

b. Billing Cycle

Current Company practice is to render bills regularly at monthly intervals, but bills may be rendered more or less frequently at the Company's option. Rate values stated for direct application to regular monthly billing periods will be adjusted when the time elapsed between billings is substantially greater or less than a month.

c. Generation Resource Mix.

CRES Providers are responsible for providing a Generation Resource Mix statement to their own customers in accordance with Commission requirements.

d. Setting Up CRES Provider Rates.

CRES Providers using the Consolidated and Rate-Ready Billing option must furnish specific rate information to the Company in a format acceptable for the Company's billing system. The CRES Providers using the Consolidated and Rate-Ready Billing option must furnish specific rate information to the Company in a format acceptable for the Company's billing system.

1. The Company will provide all Commission certified and Company enrolled CRES Providers with system requirements and record layouts needed to perform this function.
2. The CRES Provider will be responsible for creating and verifying the rate information that the Company will use to calculate and bill the CRES Provider's charges.
3. The approved rate information must be in production within the Company's billing system before any customers may be enrolled under that rate. In production means installed in and approved by the Company's billing system and the CRES Provider. New rates must be entered at least six days prior to the effective date, and the new rate must be in effect for the entire bill period.

e. Timetable for Setting up CRES Provider Rates.

1. The Company defines standard rates as falling into one of the following rate types:
 - a) a percentage discount from Price To Compare (PTC)
 - b) a fixed dollar amount

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- c) a monthly customer charge
 - d) a fixed rate per KWH
 - e) a fixed rate per KW
 - f) a ~~flat~~ fixed ~~monthly other than a customer choice~~ rate per KWH per time of use (TOU) period
 - g) a configurable stepped rate with KWH usage ranges
 - h) a seasonal rate.
2. The Company will have five calendar days to set up and system test any standard rates other than those under the Percentage-off Rate option and fifteen days to set up standard rates under the Percentage-off Rate option.
 3. Within three (3) business days after the Company receives the approval of rates from the CRES Provider, the rates will be placed in production in the Company's billing system and will be available for billing.
 4. When the rates are in the Company's billing system and are available for billing, the CRES Provider may register on the EDI customer accounts it wants to be billed on the new rate.
 5. All customer enrollments received before the rate is in production will be rejected.

f. Electronic Transmission of Customer Billing Data.

1. If the CRES Provider chooses to have the Company bill for the customer's electric commodity usage under the Company Consolidated Rate-Ready Billing option, the Company will provide usage and charges in standard electronic format.
2. If the CRES Provider chooses the Company Consolidated Bill-Ready Billing option, the Company will provide usage in a standard electronic format and the CRES Provider will provide the Company with the Certified Supplier's charges in a standard electronic format.

g. Company Consolidated and Rate-Ready Billing.

The following business rules will apply to the Company's Consolidated Rate-Ready Billing Options:

1. The Company shall calculate and present charges on the next bill generated for the customer for Competitive Retail Electric Services. The CRES Provider assumes the responsibility for the rate supplied for each customer as validated from the Rate Management Portal.

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2. Within three (3) business days of the meter read date, the Company shall electronically transmit the usage and billing information for the CRES Provider's customers to the CRES Provider.
3. The Company shall present charges on the next bill generated for the customer unless one or more of the following conditions apply: 1) the CRES Provider and the customer was terminated over 60 days before; 2) the Company no longer presents a bill to the customer because of a change in CRES Provider and billing option. If none of these exemptions apply, the Company will present the CRES Provider's charges on the next two consecutive scheduled billings after the relationship between the CRES Provider and the customer terminates.
4. In the event any CRES Provider's charges are not included on a Company Consolidated Rate-Ready Billing for any reason, the only obligation the Company shall have is to include those charges on the next monthly bill unless one or more of the exempting conditions exists as described in the above paragraph. The Company shall not cancel/rebill any billing in which the CRES Provider submitted an incorrect rate code or validated an incorrect rate on the Business Partner Portal.
5. The Company will charge hourly for administrative and technical support to institute program modifications associated with the implementation of consolidated billing on non-standard rates requested by the CRES Provider and reviewed and approved by the Company. A high level estimate of the work shall be provided and agreed upon in advance. The fixed rate for program modifications necessitated by a request for Consolidated and Rate-Ready Billing shall be \$95 per hour.
6. Customer payments for CRES Provider charges will be remitted by the Company to the appropriate CRES Provider, subject to the payment provisions in Section 31.23 of these Supplier Terms and Conditions of Service.
7. The Company shall reimburse the CRES Provider for all charges collected on behalf of the CRES Provider within three (3) business days following receipt of the customer's payment, when possible, but at least every two weeks. The Company will continue to bill for previous balances due the CRES Provider on the bill as long as the relationship between the CRES Provider and the customer exists, and for the two scheduled billing periods after the relationship terminates. If no payments are received from the customer after the Company has presented charges for these two scheduled billing periods, all unpaid balances, regardless of age, due the CRES Provider, will be electronically transmitted by the Company via an EDI 248 write off transaction to the CRES Provider. No payments will be forwarded to the CRES Provider after the acknowledgement of the receipt of such a transaction.

h. Company Consolidated and Bill-Ready Billing.

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The following business rules will apply to the Company's Consolidated and Bill-Ready Billing Option:

1. Within three (3) business days of receiving usage information for an account in a standard electronic format from the Company, the CRES Provider will provide the Company, in bill-ready format, the CRES Provider's charges for the account in a standard electronic format for presentation on the Company's current invoice to the customer.
2. The Company shall present charges on the next bill generated for the customer unless one or more of the following conditions apply: (1) the CRES Provider and the customer was terminated over 60 days before; (2) the Company no longer presents a bill to the customer because of a change in CRES Provider and billing option. If none of these exemptions apply, the Company will present the CRES Provider's charges on the next two consecutive scheduled billings after the relationship between the CRES Provider and the customer terminates.
3. The charges received from the CRES Provider by the Company in standard electronic format for each account will contain no more than twenty charge amounts with twenty associated charge descriptions.
4. Charge descriptions will be no longer than eighty characters each (including punctuation and spaces), and charge amounts will not exceed twelve characters each (including spaces, dollar sign, decimal, and, if applicable, negative sign).
5. If a CRES Provider submits a charge description(s) longer than fifty characters, the Company will wrap the charge description(s) to the next character line on its invoice. The corresponding charge amounts will appear in a column to the right of where each charge description ends.
6. If wrapping causes charge descriptions to exceed available lines, each charge description will be truncated and will be printed on the Company's current invoice with the corresponding charge amount appearing in a column to the right of each charge description.
7. If a CRES Provider submits more than twenty charge amounts for an account, the Company will reject the entire submission for the account via a standard electronic format.
8. The Company will allow up to eight lines on its invoice to display the details of the CRES Provider's charges as follows:
 - a. The Company will display the CRES Provider's name and phone number.

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- b. The charge descriptions and charge amounts submitted by the CRES Provider will be displayed.
 - c. The Company will sum the charge amounts submitted by the CRES Provider and display the total on the line following the last charge description submitted by the CRES Provider.
 - d. In situations where the CRES Provider receives revised usage information for an account from the Company in a standard electronic format, the Company will provide an additional line on its invoice for the total amount of each month of cancelled charges it receives from the CRES Provider in a standard electronic format. The Company will display the dollar amount of the cancelled charges, provided that the twelve character charge amount limit is not exceeded, on an additional line for each month of cancelled charges. The CRES Provider's corrected charges, submitted to the Company in a standard electronic format, will be displayed on the Company's invoice as described in parts i) through iv) above for each month of corrected charges. CRES Providers will not include cancelled charges within the same standard electronic transaction where corrected charges are submitted to the Company.
9. Customer payments for CRES Provider charges will be remitted by the Company to the appropriate CRES Provider, subject to the payment provisions in Section 31.23 of these Supplier Terms and Conditions of Service. The Company will continue to bill for previous balances due the CRES Provider on the bill as long as the relationship between the CRES Provider and the customer exists, and for the two scheduled billing periods after the relationship terminates. If no payments are received from the customer after the Company has presented charges for these two scheduled billing periods, all unpaid balances, regardless of age, due the CRES Provider, will be electronically transmitted by the Company via an EDI 248 write off transaction to the CRES Provider. No payments will be forwarded to the CRES Provider after the acknowledgement of the receipt of such transaction
10. Within two (2) business days of any date on which the CRES Provider electronically transmits bill-ready charges to the Company, the Company shall transmit to the CRES Provider, via an EDI transaction 824, notice of rejected charges showing, by SDI, those CRES Provider charges that could not be posted to the specific customer's SDI for bill presentment and explaining why those charges could not be so posted by the Company. The CRES Provider shall correct or modify the charges and resubmit them to the Company and such charges will appear on the next Company consolidated bill presented to the customer. In the event any CRES Provider's charges are not included on a Company consolidated billing, for any reason, the only obligation the Company shall have is to include those charges on the next monthly bill

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unless one or more of the exempting conditions exist as described paragraph 2 of this subsection.

i. Special Messages.

Rule 4901:1-24-11 of the Ohio Administrative Code mandates that a CRES Provider must provide notice of abandonment on each billing statement rendered to its end-use customers beginning at least ninety days prior to the effective date of the abandonment and continue to provide notice on all subsequent billing statements until the service is abandoned. Where the Company is performing billing services for a CRES Provider, the Company must provide this notice on the billing statement. The Company is not offering bill message services for CRES Provider in any other instance.

The Company is not required to send bill inserts or add special attachments to the bill format for CRES Providers to communicate to customers. Any other special messages either required by the Commission or elected are the responsibility of the CRES Provider.

j. Financial Obligation – Dispute Resolution.

If the CRES Provider disputes the calculation of the amount due, as calculated by the Company, the CRES Provider shall notify the Company not later than the close of business on the business day following the due date. The parties will consult each other in good faith in an attempt to resolve the dispute. If the parties fail to resolve the dispute by the close of business on the business day following the notification of the dispute by the CRES Provider, the CRES Provider shall comply with the Company's request for payment. The CRES Provider may appeal the Company's determination of credit requirements to the Commission or seek Commission Staff mediation as to any dispute.

If it is determined that the payment shall be less than the amount requested by the Company, the Company shall refund the excess payment plus interest calculated at the lower of the average of the Federal Reserve Lending Rate over the time period the cash is on deposit or 4.5% annually to the CRES Provider by the close of business on the business day following receipt of the Commission's or Commission Staff's determination.

k. Billing Corrections

Any correction of bills due to a meter registration error must be coordinated with the other entities utilizing the billing data which is in error. Any entity which detects an error in billing data shall promptly notify the MDMA or the Company if it is performing the function of the MDMA. The MDMA shall then correct any necessary data and provide to the appropriate entities such data as required for billing, settlement, scheduling, forecasting and other functions. Any billing corrections under this

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paragraph shall be consistent with the provisions of the Company's Terms and Conditions of Open Access Distribution Service.

I. CRES Provider Billing Investigations

Billing investigations shall be limited to the most recent thirty-six (36) months.

m. Customer Load Reports

Requests from the CRES Provider to the Company for customer load data will be submitted to the Company and provided back to the CRES Provider using standard electronic format at no charge. Requests for manually prepared interval load data reports will be provided at a charge of \$50 to the CRES Provider.

31.23 CUSTOMER PAYMENT PROCESSING AND COLLECTIONS FOR CONSOLIDATED BILLING

Where the Company acts as the billing agent for the CRES Provider, the Company shall reimburse the CRES Provider for all charges collected on behalf of the CRES Provider within three (3) business days following receipt of the customer's payment, when possible, but at least every two (2) weeks. The Company will continue to bill for previous balances due the CRES Provider on the bill as long as the relationship between the CRES Provider and the customer exists, and for the two (2) scheduled billing periods after the relationship terminates. If no payments are received from the customer after the Company has presented charges for these two (2) scheduled billing periods, all unpaid balances, regardless of age, due the CRES Provider, will be electronically transmitted by the Company via an EDI write off transaction to the CRES Provider. No CRES Provider charges will be presented to the customer and no payment will be forwarded to the CRES Provider after the acknowledgement of the receipt of this transaction.

If the customer's CRES Provider defaults, the Company reserves the right to retain payments collected from the customer and to apply such payments to the Company's charges.

Partial payment from a customer shall be applied to the various portions of the customer's total bill in the following order: (a) past due CRES Provider payment arrangement charges (CPA); (b) past due Company Extended Payment Arrangements (EPA) charges and deposit payment agreement (DPA) charges; (c) past due CRES Provider charges; (d) past due Company charges; (e) current Company charges; (f) current CRES provider charges; and (g) other past due and current non-regulated charges.

31.24 CRES PROVIDER BILLING TERMS AND CONDITIONS

Current Company practice is to render bills to the CRES Provider regularly at monthly intervals, but bills may be rendered more or less frequently at the Company's option. Rate values stated for direct

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application to regular monthly billing periods will be adjusted when the time elapsed between billings is substantially greater or less than a month.

A CRES Provider shall make payment for charges incurred on or before the due date shown on the bill. The due date shall be determined by the Company and shall not be less than three (3) business days from the date of transmittal of the bill.

31.25 DEFAULT SUSPENSION AND TERMINATION OF A CRES PROVIDER

a. Default.

A CRES Provider is in default of its obligations under the Company's Customer Choice Program if any one or more of the following occurs:

1. The CRES Provider fails to perform any material obligation under these Supplier Terms and Conditions of Service;
2. The CRES Provider fails to fully pay an invoice from the Company within three (3) business days following the due date of the invoice.
3. The CRES Provider's credit exposure exceeds the unsecured credit limit or the Company's current collateral enhancement requirement by 5% or more and the CRES Provider has failed to comply with the Company's request for adequate security or adequate assurance of payment within three (3) business days of the Company's request.
4. The Commission has decertified the CRES Provider or otherwise declared it ineligible to participate in the Ohio Customer Choice Program or the Company's Customer Choice Program.
5. The CRES Provider's action or inaction has or will jeopardize the operational integrity, safety, or reliability of the Company's transmission or distribution system.
6. The CRES Provider or the performing services on behalf of the CRES Provider, through actions or inactions, becomes in default of any agreement with or requirement of PJM.
7. The CRES Provider misuses the Company Consolidated Bill-Ready Billing option by incorrectly using the name of the Company or the name of one of the Company's affiliates in a charge description or otherwise using this billing option in a misleading or defamatory manner.
8. The CRES Provider voluntarily withdraws from the Company's Customer Choice Program without providing at least ninety calendar days' notice to the Company.

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9. The CRES Provider files a voluntary petition in bankruptcy; has an involuntary petition in bankruptcy filed against it; is insolvent; has a receiver, liquidator or trustee appointed to take charge of its affairs; has liabilities that exceed its assets; or is otherwise unable to pay its debts as they become due.
- b. Notice of Suspension or Termination.
- Notwithstanding any other provision of these Supplier terms and conditions of Service or, the Electric Distribution Utility/Competitive Retail Electric Service Provider Agreement, in the event of default, the Company shall serve written a notice of such default providing reasonable detail and a proposed remedy on the CRES Provider with a copy contemporaneously provided to the Commission. On, or after, the date the default notice has been served, the Company may file with the Commission a written request for authorization to terminate or suspend service to the CRES Provider. Except for default due to failure by the CRES Provider to deliver Competitive Retail Electric Service,, if the Commission does not act within ten (10) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the eleventh business day after receipt of the request by the Commission. If the default is due to failure by the CRES provider to deliver Competitive Retail electric Service and the Commission does not act within five (5) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the sixth business day. after receipt of the request by the Commission. Terminations or suspensions shall require authorization from the Commission.
- c. Notices.
- The Company shall send notices pursuant to this section by e-mail, fax, overnight mail, or hand delivery to the Commission and Staff at the Commission's offices. The Company shall notify all Commissioners, the Chief of Staff, the Director of the Consumer Services Department, the Director of the Utilities Department, the Director of the Legal Department, and the Chief of the Attorney General's Public Utilities Section. The Company shall send the notice to the address and fax number provided by the CRES Provider in its service agreement with the Company.
- d. Effect of Suspension
- In the event of suspension, the CRES Provider shall not be permitted to enroll any new End-use customers in the Company's Customer Choice Program. During the period of suspension, the CRES Provider shall continue to serve its existing end-use customers.
- e. Effect of Termination on CRES Provider's End-use Customers
- In the event of termination, the CRES Provider's end-use customers shall be returned to the Company's Standard Offer Rate effective on each end-use customer's next Meter Read Date after the date of termination.
- f. Effect of Termination on CRES Provider

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The CRES Provider shall not be permitted to enroll any new end-use customers in the Company's Customer Choice Program unless it re-registers in the Company's Customer Choice Program, pursuant to the requirements of Section 31.8 of these Supplier Terms and Conditions of Service.

31.26 VOLUNTARY WITHDRAWAL BY A CRES PROVIDER

A CRES Provider that withdraws from Competitive Retail Electric Service and fails to provide at least ninety (90) days electronic notice of said withdrawal shall reimburse the Company for any of the following costs associated with the withdrawal:

- a. mailings by the Company to the CRES Provider's customers to inform them of the withdrawal and their options;
- b. non-standard/manual bill calculation and production performed by the Company;
- c. CRES Provider data transfer responsibilities that must be performed by the Company;
- d. charges, costs, or penalties imposed on the Company by other parties resulting from CRES Provider's non-performance; and
- e. Any and all other out-of-pocket expenses incurred by the Company as a result of the withdrawal.

31.27 DISPUTE RESOLUTION

Alternative dispute resolution shall be offered to both CRES Providers and the Company as a means to address disputes and differences between CRES Providers and the Company. Alternative Dispute Resolution shall be conducted in accordance with the provisions of Chapter 4901:1-26 of the Ohio Administrative Code. To the extent the dispute involves terms and conditions under the Transmission Provider Open Access Transmission Tariff, dispute resolution procedures provided in the Transmission Provider Open Access Transmission Tariff shall apply.

31.28 CODE OF CONDUCT

1. The Company shall not release any proprietary customer information (e.g., individual customer load profiles or billing histories) to an affiliate, or otherwise, without the prior authorization of the customer, except as required by a regulatory agency or court of law.
2. The Company shall make customer lists, which include name, address and telephone number, available on a nondiscriminatory basis to all nonaffiliated and affiliated certified retail electric competitors transacting business in its service territory, unless otherwise directed by

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- the customer. This provision does not apply to customer-specific information, obtained with proper authorization, necessary to fulfill the terms of a contract, or information relating to the provision of general and administrative support services.
3. Employees of the Company's affiliates shall not have access to any information about the Company's transmission or distribution systems (e.g., system operations, capability, price, curtailments, and ancillary services), that is not contemporaneously and in the same form and manner available to a nonaffiliated competitor of retail electric service.
 4. The Company shall treat as confidential all information obtained from a competitive supplier of retail electric service, both affiliated and nonaffiliated, and shall not release such information unless a competitive supplier provides authorization to do so, or unless the information was or thereafter becomes available to the public other than as a result of disclosure by the company.
 5. The Company shall not tie (nor allow an affiliate to tie) or otherwise condition the provision of the Company's regulated services, discounts, rebates, fee waivers, or any other waivers of the Company's ordinary terms and conditions of service, including but not limited to tariff provisions, to the taking of any goods and/or services from the Company's affiliates.
 6. The Company shall not engage in joint advertising or marketing of any kind with its affiliates or directly promote or market any product or service offered by any affiliate. The Company shall also not give the appearance that the Company speaks on behalf of its affiliates or that the customer will receive preferential treatment as a consequence of conducting business with the affiliates.
 7. The Company, upon request from a customer, shall provide a complete list of all suppliers operating on the system, but shall not endorse any suppliers nor indicate that any supplier will receive preference because of an affiliate relationship.
 8. The Company shall not trade upon, promote or advertise its affiliate relationship nor allow the Company name or logo to be used by the affiliate in any material circulated by the affiliate, unless it discloses in plain legible or audible language, on the first page or at the first point where the utility name or logo is mentioned, that:
 - a. The affiliate is not the same company as the Company;
 - b. The affiliate is not regulated by the Commission; and
 - c. The customer does not have to buy the affiliate's products in order to continue to receive quality, regulated service from the Company.

The application of the name/logo disclaimer is limited to the use of the name or logo in Ohio.

9. The Company shall provide comparable access to products and services related to tariffed products and services and specifically comply with the following:

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- (a) The Company shall be prohibited from unduly discriminating in the offering of its products and/or services;
 - (b) The Company shall apply all tariff provisions in the same manner to the same or similarly situated entities, regardless of any affiliation or nonaffiliation;
 - (c) The Company shall not, through a tariff provision, a contract, or otherwise, give its affiliates preference over nonaffiliated competitors of retail electric service or their customers in matters relating to any product and/or service;
 - (d) The Company shall strictly follow all tariff provisions;
 - (e) Except to the extent allowed by state law, the Company shall not be permitted to provide discounts, rebates, or fee waivers for any state regulated monopoly service; and
 - (f) Violations of the provisions of this rule shall be enforced and subject to the disciplinary actions described in divisions (C) and (D) of Section 4928.18, Ohio Revised Code.
10. Notwithstanding any provision of this Code of Conduct, in a declared emergency situation, the Company may take actions necessary to ensure public safety and system reliability. The Company shall maintain a log of all such actions that do not comply with this Code of Conduct, which log shall be review by the Commission.
11. The Company shall establish a complaint procedure for the issues concerning compliance with this rule. All complaints, whether written or verbal, shall be referred to the general counsel of the Company or their designee. The legal counsel shall orally acknowledge the complaint within five (5) business days of its receipt. The legal counsel shall prepare a written statement of the complaint that shall contain the name of the complainant and a detailed factual report of the complaint, including all relevant dates, companies involved, employees involved, and the specific claim. The legal counsel shall communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received, including a description of any course of action that was taken. The legal counsel shall keep a file in the Cost Allocation Manual, of all such complaint statements for a period of not less than three (3) years. This complaint procedure shall not in any way limit the rights if a party to file a complaint with the Commission.

32. MINIMUM REQUIREMENTS FOR DISTRIBUTION SYSTEM INTERCONNECTION

Applicability

This schedule is applicable to any customer with cogeneration, small power production facilities, and/or other on-site facilities producing electrical energy who wishes to operate such facilities in parallel with the Company's distribution system at voltages up to 35 kV. For customers with voltages above 35 kV, Interconnection must comply with all appropriate Federal Energy

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Regulatory Commission and Regional Transmission Organization requirements. This schedule is not applicable to the interconnection and parallel operation of facilities which the Federal Energy Regulatory Commission has determined to be subject to its jurisdiction. A customer who has a facility that does not qualify for simplified interconnection pursuant to the PUCO's distribution interconnection rules (O.A.C. § 4901:1-22) (Commission Rules) and the Company's technical requirements for interconnection (Technical Requirements), incorporated herein by reference, may negotiate a separate interconnection agreement with the Company and the terms and conditions of this schedule shall apply to such customers to the extent that the negotiated interconnection agreement does not conflict with this schedule.

Purpose

The purpose of this schedule is to implement Ohio Revised Code Section 4928.11, which calls for uniform interconnection standards that are not unduly burdensome or expensive and also ensure safety and reliability, to the extent governing authority is not preempted by federal law. This schedule states the terms and conditions that govern the interconnection and parallel operation of a customer's facility with the Company's distribution system.

Customer Request For Interconnection

Any customer seeking to physically connect facilities to the Company's distribution system, which facilities may be used in parallel operation with the Company's distribution system, shall file an interconnection application and sign an interconnection agreement with the Company. For facilities for which the referenced Technical Requirements are applicable, the customer and Company shall execute a simplified interconnection agreement. For all other facilities, the customer and the Company shall execute an interconnection agreement which may be different from the simplified agreement, but which shall conform with the provisions of this schedule, to the extent applicable. Copies of all applicable forms and the Company's Technical Requirements are available upon request.

To the extent possible, interconnection to the Company's distribution system shall take place within the following time frames:

1. Where no construction is required by the Company and the facility qualifies for simplified interconnection pursuant to the review procedure contained in the Commission Rules, interconnection shall be permitted within four weeks of the Company's receipt of a completed interconnection application in compliance with the terms and conditions of this schedule. Prior to actual interconnection, the customer must execute the interconnection agreement.
2. Where construction or system upgrades of the Company's distribution system are required, the Company shall provide the customer, in a timely fashion, an estimate of the schedule and the customer's cost for the construction or upgrades. If the customer desires to proceed with the construction or upgrades, the customer and the Company shall enter into a contract. The contract shall contain a construction schedule listing target commencement and completion dates, and an

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estimate of the customer's costs for construction or upgrades. Assuming the customer is ready, the interconnection shall take place no later than two weeks following the completion of such construction or upgrades. The Company shall employ best reasonable efforts to complete such system construction or upgrades in the shortest time reasonably practical.

3. All interconnection applications shall be processed by the Company in a nondiscriminatory manner. The Company shall promptly provide the customer a written notice of the Company's receipt of the application. The Company will endeavor to place such notice in the U.S. Mail or respond by Email within three business days after the application has been received by the Company's personnel designated on the application form. The Company shall provide the customer with a copy of the review process and a target date for processing the application. If the application is viewed as incomplete, the Company must provide a written notice within 10 days of receipt of the application by the Company's personnel designated on the application form that the application is not complete together with a description of the information needed to complete the application and a statement that processing of the application cannot begin until the information is received. The Company's target date shall permit interconnection in a timely manner pursuant to the requirements of the Commission Rules. Interconnection applications will be processed in the order that they are received. It is recognized that certain interconnection applications may require minor modifications while they are being reviewed by the Company. Such minor modifications to a pending application shall not require that it be considered incomplete and treated as a new or separate application. Minor modifications would not include at least the following: changes in facility size or location; any change requiring a new impact study; or any other substantive change.
4. If the Company determines that it cannot connect the customer's facility within the time frames required by the Commission Rules, the Company will notify the customer in writing of that fact as soon as possible. The notification will identify the reason or reasons the interconnection could not be completed within the time frames stated, and provide an estimated date for completion. This section shall not limit the rights of a customer for relief under Ohio Revised Code Chapter 4905.

Technical Requirements

The Company shall maintain a copy of the Technical Requirements at its business office such that the Technical Requirements are readily available to the public. The Company shall provide the Commission Staff with a copy of the Technical Requirements. Standards adopted by IEEE shall supersede the applicable provisions of the Company's Technical Requirements effective the date that IEEE adopts such standards. However, any interconnection made or initiated prior to the adoption of any national standard promulgated by IEEE shall not be subject to that standard. Regarding any IEEE minimum standard, or any guideline that the IEEE may promulgate, the Company may amend the Technical Requirements to the minimum extent required to address unique local conditions, and shall provide such amendments to the Staff and make such amendments available to customers. All Technical Requirements, including superseding standards adopted by IEEE, are incorporated herein by reference.

Metering

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Any metering installation, testing, or recalibration required by the installation of the customer's generation facilities shall be provided consistent with the Electric Service and Safety Standards pursuant to Ohio Revised Code Chapter 4928, and specifically O.A.C. § 4901:1-10-05 (Metering) and, as applicable, § 4901:1-10-28 (C) (Net Metering).

Liability Insurance

Prior to interconnection with the Company, the customer must provide the Company with proof of insurance or other suitable financial instrument sufficient to meet its construction, operating and liability responsibilities pursuant to this schedule. At no time shall the Company require that the applicant negotiate any policy or renew any policy covering any liability through a particular insurance company, agent, solicitor, or broker. The Company's receipt of evidence of liability insurance does not imply an endorsement of the terms and conditions of the coverage.

System Impact and Facilities Studies

For those facilities that do not qualify for simplified interconnection pursuant to the review procedure included in the Commission Rules, the Company may require a supplemental review, service study, coordination study, facilities study or Company system impact study prior to interconnection. In instances where such studies are required, the scope of such studies shall be based on the characteristics of the particular generation facility to be interconnected and the Company's system at the specific proposed location. By agreement between the Company and the customer, studies related to interconnection of the generation facility may be conducted by a qualified third party. The cost of an impact facilities study performed by the Company shall be included in the costs set forth in the Interconnection Fees section of this schedule. The Company shall provide the customer with a target date for completion of any required system impact or facilities study. Any such study conducted by the Company shall be shared with the customer.

Interconnection Fees

The Company shall not charge any fees for interconnection other than those authorized by this schedule. Fees contained herein apply to each installation at the Company's distribution voltages up to 35 kV.

The Company shall charge each customer that applies for interconnection service an application fee as set forth in the Commission Rules. Fees for customer applications for interconnection that meet the qualifications for level 1, level 1.1 or level 1.2 simplified review procedures will be based on the actual costs per one-tenth of an hour of time spent by Company personnel on the simplified review. Customer applications for interconnection that meet the qualifications for level 2 expedited review will be subject to an application fee of \$50.00, plus one dollar per kilowatt of the applicant's system nameplate capacity rating. Interconnection customers whose facilities qualify for level 3 standard review procedures shall pay an application fee of \$100.00, plus two dollars per kilowatt of the applicant's system nameplate capacity rating.

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Level 2 and level 3 interconnection review processes may require that one or more interconnection studies be performed to determine the feasibility, system impact, and cost of safely connecting the customer's generation facilities to the Company's distribution system. As specified in the Commission Rules, the cost of engineering work done as part of any feasibility, system impact or facilities study shall be billed to the customer at the Company's actual cost of performing such study.

Additional Fees

The customer is responsible for all equipment and installation costs of the customer's facility.

The customer shall pay any additional charges, as determined by the Company, for equipment, labor, metering, testing or inspections requested by the customer.

Construction or Upgrade Fees

If the interconnection requires construction or an upgrade of the Company's system which, save for the generation facility would not be required, the Company will assess the customer the actual cost including applicable taxes of such construction or upgrade. Payment terms for such construction or upgrade will be agreed to and specified in the construction contract. The Company and the customer may negotiate for alternatives in order to reduce any costs or taxes applicable thereto.

Resolution of Disputes

The Company or the customer who is a non-mercantile, non-residential customer may seek resolution of any disputes which may arise out of this schedule, including the interconnection and the referenced Technical Requirements in accordance with the Commission Rules.

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Special Terms and Conditions of Service

This schedule is subject to the Company's Terms and Conditions of Open Access Distribution Service and all provisions of the OAD service schedule under which the customer takes service. If applicable, the customer shall also take the appropriate service under the provisions of the applicable Residential or General Service Schedule and/or Schedule OAD-NEMS.

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Attachment D – Clean Supplier Tariffs

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2. APPLICATION FOR SERVICE

These terms and conditions of service apply to service under the Company's open access distribution schedules which provide for distribution service, irrespective of the voltage level at which service is taken, from the Company, as provided for in Sections 4928.15 and 4928.40, Ohio Revised Code.

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Distribution service shall be made available to a prospective customer within this Company's area of service upon request or execution of a contract therefore and its acceptance by an officer or authorized representative of the Company.

The character of distribution service and the rates, rules, terms, regulations and conditions shall be in accordance with P.U.C.O. No. 20, the supplements thereto and revisions thereof applying to the particular type of service and locality for which such contract or application is made.

3. CONDITIONS OF SERVICE

Before the Company shall be required to furnish distribution service, the Company may require that the customer submit written specifications of electrical apparatus to be operated by service and to furnish the Company a site plan that shows the address, orientation of the building, the location of the meter on the building, and the square footage of the building. The Company reserves the right to specify the service characteristics, including the point of delivery and metering.

Written agreements will be required prior to providing service if stipulated in the applicable rate schedule or the customer has unusual or special service characteristics. If the customer refuses to sign a written agreement, an agreement will still be effective as if the customer had signed and said customer will be charged under the appropriate schedule. A copy of the written agreement, contained on a form provided by the Company, will be furnished to the customer upon request at any time during the term of the agreement.

When the customer desires delivery of energy at more than one (1) point, each separate point of delivery shall be considered a Contract Location and shall be metered and billed under a separate request or contract for service. Each delivery point will be billed separately under the applicable schedule. Separate written agreements, if required under the above paragraph, will be made for each point of delivery. If the Company requires separate points of delivery, for like service, to meet the customer's electrical requirements at a single Contract location, the metering for two or more points of delivery may be combined for billing under the applicable tariff.

4. AVAILABLE RATES

A copy of these Terms and Conditions of Open Access Distribution Service and the open access distribution schedules applicable to the customer's class of business will be furnished upon request and the customer shall elect upon which applicable schedule the customer desires to be served.

If the customer can meet the requirements of more than one open access distribution schedule, the Company will endeavor to advise the customer as to which open access distribution schedule is the most advantageous for the prospective service. The customer shall then select the open access distribution schedule upon which the contract for distribution service shall be based. The Company under no circumstances guarantees that the rate under which a customer is billed is the most favorable open access distribution rate.

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The customer may change the initial open access distribution schedule selection to another applicable open access distribution schedule at any time by either written notice to the Company and/or by executing a new contract for the open access distribution schedule selected, provided that the application of such subsequent selection shall continue for twelve (12) months before any other selection may be made, except when an existing rate is modified or a new open access distribution schedule is offered.

A customer may not change from one (1) open access distribution schedule to another during the term of contract except with the consent of the Company.

5. COMPANY'S AGENTS NOT EMPOWERED TO CHANGE TARIFFS

No agent or employee of the Company has authority to amend, modify, alter the application, rates, terms, conditions, rules or regulations of the Company on file with the Commission, or to make any promises or representations not contained in P.U.C.O. No. 20 supplements thereto and revisions thereof.

6. CHANGE OF RATES OR REGULATIONS

Rules and Regulations and rates contained herein are subject to cancellation or modification upon order or permission of the Public Utilities Commission of Ohio.

7. INSPECTIONS

It is to the interest of the customer to properly install and maintain the customer's wiring and electrical equipment and the customer shall at all times be responsible for the character and condition thereof. It is the customer's responsibility to assure that all inside wiring is grounded and is otherwise in accordance with the requirements of the National Electrical Code. The Company makes no inspection thereof and in no event shall be responsible therefore.

Where a customer's premises are located in a municipality or other governmental subdivision where inspection laws or ordinances are in effect, the Company may withhold furnishing service to new installations until it has received evidence that the inspection laws or ordinances have been complied with. In addition, if such municipality or other governmental subdivision shall determine that such inspection laws or ordinances are no longer being complied with in respect to an existing installation, the Company may suspend the furnishing of service thereto until it has received evidence of compliance with such laws or ordinances. The Company may disconnect electric distribution service to a premise where unsafe conditions exist.

Where the customer's premises are located outside of an area where inspection service is in effect, the Company may require the delivery by the customer to the Company of an agreement duly signed by the owner and tenant of the premises authorizing the connection to the wiring system of the customer and assuming responsibility therefore.

No responsibility shall attach to the Company because of any waiver of these requirements.

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8. LOCATION AND MAINTENANCE OF COMPANY'S EQUIPMENT

The Company shall have the right to erect and maintain its poles, lines, circuits and other necessary facilities on the customer's property, and to place and maintain its transformers and other apparatus on the property or within the buildings of the customer at convenient locations. The customer shall keep Company equipment clear from obstruction and obstacles including landscaping, structures, etc., and allow the use of suitable space for the installation and maintenance of necessary measuring instruments so that the latter may be protected from damage.

The customer shall provide suitable space and access to same, for the installation, repair and maintenance of necessary measuring instruments and other facilities, so that they may be protected from injury by the elements or through the negligence or deliberate acts of the customer or of any employee of the same, or any other party.

Company owned transformers and appurtenances placed on the property or within the building shall be housed in accordance with the National Electrical Code in a suitable room or vault provided by the customer and, when installed outside upon a mat or slab, shall be protected by an enclosure erected by the customer to guard against loss, damage or injury to persons or property.

9. SERVICE CONNECTIONS

The Company will, when requested to furnish service, designate the location of its service connection. The customer's wiring must, except for those cases listed below, be brought out of the building in an approved manner from the main service disconnect to the outside the building wall nearest the Company's service wires so as to be readily accessible thereto. The point of service drop attachment shall be as high as the construction of the building will permit, but not more than twenty-five (25) feet nor less than twelve (12) feet from the ground (see National Electric Code for vertical clearance requirements of service drop conductors) and shall be located at a point convenient to the Company's lines for making connections thereto, and each of the service wires shall extend at least eighteen (18) inches from weatherhead on end of conduit or cable for making service connections. Service entrance equipment shall be properly grounded and shall be installed so that the disconnecting means is readily accessible. Where customers install service entrance facilities which have capacity and layout specified by the Company and/or install and use certain utilization equipment specified by the Company, the Company may provide or offer to own certain facilities on the customer's side of the point where the service wires attach to the building.

In areas served by an overhead distribution system, an overhead service shall be provided by the Company from the Company's distribution system extending one span (approximately 100 feet) toward the customer's facilities. When a customer desires that energy be delivered at a point or in a manner other than that designated by the Company, the customer shall pay the additional cost of same. Rights-of-way or easements necessary for the installation of said service (including private railway wire crossings permits) shall be provided by the customer.

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A non-residential customer desiring an underground service from overhead wires shall, at the customer's expense, install and maintain service wires in an approved manner from the main entrance switch in the building to an available pole (designated by the Company) from which connection is to be made, including the necessary run of wires up the pole. Such underground service shall conform to Company specifications. Where service is supplied from an underground distribution system which has been installed at the Company's expense within the limits of municipal streets, the customer shall make arrangements with the Company to supply and install a continuous run of cable conductors including necessary ducts from the manhole or connection box to the inside of the building wall. The customer shall pay the cost of installing the portion of cable and duct from the curb line to the terminus or cable inside the building and provide the necessary easements to the Company.

Conduit and wires and any equipment, installation and appurtenances furnished, installed and maintained by the customer must conform to the National Electrical Code, as well as applicable governmental requirements.

The Company shall not be required to make any inspection of the wiring, safety switch or other equipment, installation or appurtenances installed and owned by the customer. Any inspection thereof which the Company may make shall be voluntary on its part and for its benefit only, and shall not in any way relieve the customer of any obligations in that respect. The Company has the right to assess a service fee (shown below) when three or more trips are made for service installation and cannot be completed due to customer installation issues.

During Normal Business Hours

Service Fee Multiple Trips	\$28.00	
<u>Other Than Normal Business Hours</u>	<u>Off Shift</u>	<u>Sunday or Holiday</u>
Service Fee Multiple Trips	\$77.00	\$100.00

10. EXTENSION OF LOCAL FACILITIES

The Company shall construct suitable electric transmission and distribution facilities under this line extension policy to serve customer premises when the customer cannot be served from existing electrical facilities.

Customers requesting new or expanded electric service shall submit detailed and complete information which may include but not be limited to switch size, requested delivery voltage, total estimated load, listing of connected loads, operating characteristics, site survey plans (showing other utilities or underground infrastructure) and first floor elevations before the Company can develop a plan of service and prepare a construction cost estimate.

The Company will determine the modifications to the Company's transmission and/or distribution facilities required to provide for a basic service plan to serve the customer's load. The

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Company will design, construct, own, operate and maintain the line extension and all other equipment installed to serve the customer's load up to the point of service for each customer.

Upon receipt of the necessary information from the customer, the Company will comply with Chapter 4901:1-9-07 of the Ohio Administrative Code and exercise its best efforts to expedite the entire process for developing a service plan and preparing a cost estimate.

The Company shall have no obligation to extend, expand or rearrange its facilities if it determines that the existing facilities are adequate to serve the customer's electrical load.

Definitions Used in This Section

1. "Basic service plan" means the least cost line extension design using sound engineering practices which meet and/or exceed the National Electrical Safety Code and the Company's construction standards.
2. "Contribution in aid of construction or CIAC" means any amount of money or property contributed to the Company to the extent that the purpose of the contribution is to provide for line extensions for new or expanded customer loads.
3. "Cost estimate" means the detailed projected expenditure, including material costs and overhead, equipment costs and overhead, labor costs and overhead, and all taxes associated with each major material and service component, required for a line extension. It shall also separately identify any incremental costs associated with providing premium services. The Company may, for the purpose of standardization, establish standard construction cost estimates, for basic or premium service plans, which shall not exceed, in any event, the average cost of constructing such line extensions in the area involved, in which case the term "cost estimate" as used in this section will be understood to mean the standard estimate thus established.
4. "Line extension" means the provision of facilities (including, but not limited to, poles, fixtures, wires, and appurtenances) necessary for delivering electrical energy from the point of origin to one or more of the customer's points of delivery. Facilities provided by the Company to maintain, protect, upgrade, or improve its overall distribution system (even if necessary due to a customer's load addition) are not considered part of a line extension.
5. "Multifamily installation" means any line extension to a new residential dwelling that will have two or more dwelling units, where each unit has a separate account for electric service.
6. "Permanent" means a) a structure that has a permanently installed pressurized domestic water system and septic/sewer system which complies with local codes/regulations and is approved for use by the respective sanitation jurisdictional authority, or b) a structure that is approved for installation on a foundational support that is either a mortared masonry pier/column configuration, a poured concrete slab, or a poured concrete footer and mortared masonry walls on the perimeter of the structure.
7. "Point of origin" means the point where a line extension under this rule connects with and receives energy from any existing transmission or distribution equipment. The point of origin shall

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be the nearest practical point to the customers to be served by the line extension at which the appropriate voltage level is available.

8. "Premium service" includes, but is not limited to, customer-requested oversizing of facilities, underground construction, three-phase residential service, seasonal operations, and any customer request that is in excess of standard construction and requirements necessary to provide electric service to the customer.

Line extensions

1. For line extensions to residential single family homes, both individual homes and homes in a development, unless noted otherwise, the following shall apply:

- a. The Company shall be responsible for all costs, excluding the incremental costs of premium services (the sum of the Company's cost to provide the premium installation minus the Company's cost of a standard, single-phase installation), up to five thousand dollars.
- b. The customer shall be responsible for the incremental costs of premium services prior to the start of construction.
- c. The customer shall make arrangements with the Company for the payment of the non-premium line extension costs that exceed five thousand dollars. The Company shall afford the nondeveloper, individual homeowner the option of paying those costs, plus carrying costs, on a prorated monthly basis for up to fifty months.

2. For line extensions to residential, non-master-metered, multifamily installations (two or more units) the following shall apply:

- a. The Company shall be responsible for all costs, excluding the incremental costs of premium services (the sum of the Company's cost to provide the premium installation minus the Company's cost of a standard, single-phase installation), up to twenty-five hundred dollars per unit.
- b. The customer shall be responsible for the incremental costs of premium services prior to the start of construction.
- c. The customer shall make arrangements with the Company for the payment of the non-premium line extension costs that exceed twenty-five hundred dollars per unit.

3. For line extensions to non-residential customers the following shall apply:

- a. The Company shall be responsible for sixty percent of the total cost of the line extension, excluding the incremental costs of premium services (the sum of the Company's cost to provide the premium installation minus the Company's cost to install, in accordance with good utility practice, a standard line extension to the project).
- b. The customer shall be responsible for forty percent of the total cost of the line extension plus the incremental costs of premium services prior to the start of construction.
- c. If a substation is required as part of the line extension project to a customer, the customer shall be given the option of building (pursuant to all applicable electrical standards), owning, and maintaining such substation.

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4. The payment for premium services and for the cost of residential construction in excess of the limits of five thousand dollars for single-family residences and twenty-five hundred dollars per unit for multifamily residences shall be considered as contribution in aid of construction (CIAC) and shall be grossed-up by the effect of applicable taxes.
5. Costs attributed to land clearance activity, trenching, and backfilling required for the installation of line extension facilities on the customer's property are the responsibility of the customer.
6. All line extensions shall be the property of and shall be operated and maintained by the Company.
7. The Company shall have the right to use any line extension in furnishing service to any applicant located adjacent to such line extension and the further right to construct other extensions from the distribution facilities so constructed.
8. Any customer who paid to the Company a CIAC, other than for premium services, may be entitled to a refund of a portion of the CIAC paid in accordance with the following:
- a. If any new customer, within fifty months of the completion of a line extension project for which an existing customer has paid to the Company a CIAC, utilizes all or part of the facilities for which the CIAC has been paid, the existing customer who paid the CIAC may be entitled to a refund which represents a pro rata portion of the original CIAC calculated to equitably share the CIAC responsibility for those facilities used in service by both the new and original customer.
 - b. If any new additional customer, within fifty months of the completion of the line extension project for which existing customers have paid to the Company a CIAC, utilizes all or part of the facilities for which a CIAC has been paid, any existing customers who paid the CIAC may also be entitled to a refund.
 - c. Any refunds made under a. or b., above shall be after payment has been received from the new customer.

The Company recognizes and makes available the rural line extension plan specified in Chapter 4901:1-9-07 - Rules, Regulations and Practices for the construction of Electric Line Extensions in Rural Territory, of the Ohio Administrative Code as amended from time to time.

11. TEMPORARY AND SPECIAL SERVICE

The Company will supply temporary distribution service when it has available unsold capacity in its lines and transformers. Customers who have seasonal operations at permanent locations, or who have other sources of energy supply not requiring distribution service from the Company and desire distribution service for standby or breakdown purposes, must contract for permanent distribution service under an open access distribution schedule applicable to the customer's class of business and will be subject to the terms of that schedule including the minimum bill and term of contract provisions.

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The customer will purchase temporary distribution service under any schedule applicable to the customer's class of business and will, in addition, pay to the Company, in advance, the Company's estimated total cost of installing and removing its facilities necessary for the temporary service. The total cost will include all material, labor and overheads, with appropriate credits being given to salvageable material and to facilities to be used in subsequent permanent service. Charges for the following categories of temporary service are fixed as follows:

Service requiring only reading-in and reading-out an existing meter - \$57.00.

Single-phase 120/240 volt service from existing source with adequate capacity, up to 200 Ampere; \$237.00 overhead and \$134.00 underground. All others charged based on facilities installed.

The Company shall not be required to construct general distribution lines underground unless the cost of such special construction for general distribution lines and/or the cost of any change of existing overhead general distribution lines to underground which is required or specified by a municipality or other public authority (to the extent that such cost exceeds the cost of construction of the Company's standard facilities) shall be paid for by that municipality or public authority. The "cost of any change" as used herein, shall be the cost to the Company of such change. The "cost of special construction" as used herein, shall be the actual cost to the Company in excess of the cost of standard construction. When a charge is to be based on the excess cost, the Company and municipality or other public authority shall negotiate the amount thereof.

Temporary distribution service supplied for a period less than one (1) full month will be billed on the basis of a full month's schedule billing under the applicable open access distribution schedule, including the minimum charge if applicable.

12. WORK PERFORMED ON COMPANY'S FACILITIES AT CUSTOMER'S REQUEST

Whenever, at the request of a customer and solely to suit the convenience of the customer, work is performed on the Company's facilities or the Company's facilities are relocated, the customer shall pay to the Company, in advance, the estimated total cost of such work. This cost shall be itemized by major categories and shall include the Company's standard overheads and be credited with the net value of any salvageable material. The actual costs for the work performed will be determined after its completion and the appropriate additional charge or refund will be made to the customer.

13. NOMINAL VOLTAGE LEVELS

The Company has established nominal service voltages of 60 cycle alternating current of which at least one of the following characteristics shall be made available to a customer, the particular voltage and service characteristics to be at the option of the Company:

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Secondary Distribution System – nominal regulated voltages of 120, 120/208, 120/240, or 240/480 volts, single phase and 120/208, 120/240, 240, 240/480, 277/480 and 480 volts, 3 phase.

Primary Distribution System -nominal regulated voltages of 2,400, 2,400/4,160, 4,160, 7,200, 7,200/12,470, 7,620/13,200, 7,970/13,800 and 19,900/34,500 volts.

Subtransmission -nominal, unregulated voltages of 23,000, 34,500, 40,000, and 69,000 volts, 3 phase.

Transmission - nominal, unregulated voltages of 138,000, 345,000, and 765,000 volts, 3 phase.

The Company shall design and operate its system so that under normal operating conditions the voltage delivered at the customer's service entrance, for the regulated voltages listed above, is maintained within the range of plus or minus 5% of the nominal voltage. Wherever voltages shall be known to exist outside of such range, the Company will take steps to promptly initiate corrective action to restore the voltage level to within such range.

14. METER REGISTRATION AND TESTING

The Company will own, furnish, install and maintain the meter or meters unless the customer elects metering service from a qualified Meter Service Provider (MSP). The customer is required to supply, install and maintain the mounting or meter enclosures or sockets. The Company or MSP may specify whether the meter or meters are to be installed on the inside or outside the customer's premise and may change such location at its option. When an inside meter installation is made, the customer shall furnish, at the customer's sole expense, a suitable meter panel in a convenient and suitable location and so placed that the meter installation will not be more than five (5) feet nor less than three (3) feet from the floor, and pay the additional expense of providing an electronic means to obtain an automated reading. In addition, the customer may be required to install and maintain a dedicated communications line. If any location provided by the customer causes the meter to register incorrectly, the Company or MSP may require the customer to provide a new meter location acceptable to the Company and to pay the expense of relocation. All costs incident to the relocation of an outside meter made upon the customer's request, or required to be made because of customer's use of premises, shall be paid by the customer.

The authorized agents or employees of the Company shall have free access at all reasonable hours to the premises of the customer for the purpose of installing, reading, testing and removing meters or other appliances, belonging to the Company.

The Company will test its meters at its discretion or at the request of the customer. Any kilowatt-hour meter found by test to be registering within the range of plus or minus two percent (+/- 2%) will be considered as registering accurately. Any integrating block interval demand meter or thermal demand meter registering within the range of plus or minus four percent (+/- 4%) will be considered to be registering correctly. For each subsequent test conducted within thirty-six (36) months of the last previous test, if the meter is found to be registering correctly, the customer shall pay to the Company a \$64.00 fee for a single phase meter test and a \$85.00 fee for all other meter tests. The customer shall be told the amount of such charge when the customer requests the meter test within such thirty-six (36) month period. Such test, witnessed by the customer if so desired, will be conducted using a properly calibrated meter standard.

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The Company will replace at its expense any Company-owned meter registering incorrectly and will make billing corrections in accordance with the following section for any services billed by the Company.

When service has been obtained through tampering practices, the customer will be charged a minimum fee of \$49.00 for the Company to investigate and to inspect the premises. The customer will pay additional charges for any and all costs of disconnection as well as the costs of repairing or replacing damaged equipment based on the customer's individual situation.

15. METERING AND LOAD PROFILING

All customers with maximum monthly billing demands of 200 kW or greater for the most recent twelve (12) months shall be interval metered. The customer or the customer's Competitive Retail Electric Service (CRES) Provider may request an interval meter for customers with maximum monthly billing demands less than 200 kW.

The cost and repair of any interval metering facilities installed by the Company to comply with this requirement or as a result of such request shall be paid by the customer. The customer shall make a one-time payment for the metering facilities at the time of installation of the required facilities, or at the customer's option, up to twenty-four (24) consecutive equal monthly payments reflecting an annual interest charge as determined by the Company, but not to exceed the cost of the Company's most recent issue of long-term debt. If the customer elects the installment payment option, the Company shall require an initial payment equal to twenty-five percent (25%) of the total cost of the metering facilities. Any necessary replacement of the meter where repair is not possible will be performed at cost, based upon premise installation and load requirements.

In addition, the customer shall pay a net charge to cover the incremental cost of operation and maintenance and meter data management associated with such interval metering as follows:

Charges are for service performed on a Company installed standard interval meter. The customer is responsible for providing the telephone line and cost associated with telephone communications for purposes of reading the meter.

Service Performed During Normal Business Hours	Charge (\$)
Connect phone line to meter at a time other than the initial interval meter installation	57.00
Perform manual meter reading	43.00
Check phone line and perform manual meter reading due to communication loss	47.00
Replace surge protector	119.00
Replace modem board	210.00

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The customer or the customer's CRES Provider may select a meter from the Company's approved standard equipment list. If a customer selects any meter other than those shown on the approved standard list, the customer accepts responsibility for any incremental cost which the meter may require to upkeep, maintain, or replace the meter due to failure. The customer or the customer's CRES Provider may communicate with the meter for the purpose of obtaining usage data, subject to the Company's communication protocol.

A customer that is required to have interval metering must approve a work order for interval meter installation before a CRES Provider may serve such customer. During the period between when the customer has requested an interval meter and the time that the Company is able to install such a meter, a Company load profile will be used for settlement purposes and consumption meter readings will be used for billing.

All load profiling shall be performed by the Company. Sample data and customer specific interval metering, when available, will be used in the development of the total load profile for which a CRES Provider is responsible for providing generation and possibly transmission services. Such data shall be provided to the Billing Agent (BA) or other entities as required for monthly billing.

16. USE OF ENERGY BY CUSTOMER

The schedules for open access distribution service given herein are classified by the character of use of such service and are not available for service except as provided therein.

It shall be understood that upon the expiration of a contract the customer may elect to renew the distribution service contract upon the same or another open access distribution schedule published by the Company and applicable to the customer's requirements, except that in no case shall the Company be required to maintain transmission, switching or transformation equipment (either for voltage or form of current change) different from or in addition to that generally furnished to other customers receiving distribution service under the terms of the open access distribution schedule elected by the customer.

The customer shall install only motors, apparatus, or appliances which are suitable for operation with the character of the service supplied by the Company, and which shall not be detrimental to same, and the electric power must not be used in such a manner as to cause unprovided for voltage fluctuations or disturbances in the Company's transmission or distribution system. The Company shall be the sole judge as to the suitability of apparatus or appliances, and also as to whether the operation of such apparatus or appliances is or will be detrimental to its general service.

All apparatus used by the customer shall be of such type as to secure the highest practical commercial efficiency, power factor and the proper load balancing of phases. Motors which are frequently started or motors arranged for automatic control, must be of a type to give maximum starting torque with minimum current flow, and must be of a type, and equipped with controlling devices, approved by the Company.

The operation of certain electrical equipment can result in disturbances (e.g. voltage fluctuations, harmonics, etc.) on the transmission and distribution systems which can adversely impact the operation of equipment for other customers. Non-residential customers are expected to abide by industry standards, such as those contained in ANSI/IEEE 141, 519 and 1453, IEC 61000 or the IEEE/GE voltage flicker criteria, when

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operating such equipment. In accordance with the Electric Service and Safety Standards, Chapter 4901:1-10-15 (D) of the Ohio Administrative Code, the Company may refuse or disconnect service to non-residential customers for using electricity or equipment which adversely affects distribution service to other customers. Copies of the applicable criteria will be provided upon request.

The service connections, transformers, meters and appliances supplied by the Company for each customer have a definite capacity. The customer agrees to promptly notify the Company prior to any increase or decrease in the customer's connected load, or power factor which could impact the capacity requirements of the Company's local facilities. No additions to the equipment or load connected thereto shall be made until after the consent of the Company has been obtained. The customer shall notify the Company promptly of any defect in service or any trouble or accident to the electrical supply.

No attachment of any kind whatsoever may be made to the Company's lines, poles, crossarms, structures, or other facilities without the express written consent of the Company.

The Company will not supply distribution service to customers who have other cogeneration, small power production or other sources of on-site energy supply except under schedules which specifically provide for same.

The customer shall not be permitted to operate the customer's own generating equipment in parallel with the Company's service except on written permission of the Company.

17. RESALE OF ENERGY

Electric service will not be delivered to any party contracting with the Company for distribution service (hereinafter in this Section called "customer") except for use exclusively by (i) the customer at the premises specified in the service request or contract between the Company and the customer under which service is supplied and (ii) the occupants and tenants of such premises.

18. CUSTOMER'S LIABILITY

In the event the customer is unable to receive distribution service in the full amount contemplated by the customer's regular distribution service arrangements for a period in excess of fifteen (15) full days as a result of fire, riot, explosion, flood, accident, breakdown or acts of God or the public enemy, said customer shall not be liable to the Company for minimum demand or billing charges for which the customer normally would be liable pursuant to the open access distribution schedule and/or contract during the period of distribution service decrease of electricity usage, provided:

1. The customer notifies the Company in writing of the customer's inability to receive distribution service as a result of one or more of the above specified event(s); and
2. Said notice includes (in addition to any other pertinent information):

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- a. Extent (or magnitude) of the distribution service decrease
 - b. Date of the event
 - c. Cause of the event
 - d. Probable duration of the distribution service decrease; and
3. The customer is prompt and diligent in removing the cause of the service decrease; and
4. The customer submits a report to the Company at least every thirty days following the event explaining the customer's progress toward removing the cause of the distribution service decrease; and
5. The customer pays, pursuant to the customer's open access distribution schedule and/or contract, for all distribution service rendered prior to the service decrease.

In no event, however, shall this provision affect open access distribution minimum demand or billing charges in any billing period prior to the date on which the Company receives the customer notice required above unless that notice is received within fifteen (15) days of the above specified events.

During the period that the terms of this provision shall be in effect, the customer shall pay for all distribution service received, the charges for such service being determined pursuant to the open access distribution schedule under which the customer had been served prior to the event except for the minimum demand or billing charges which were waived as a consequence of this provision. Under no circumstance shall the waiver of the minimum demand or billing charges extend beyond the time the cause of the distribution service decrease has been removed. On the date that the cause of the customer's inability to receive distribution service has been removed, billing shall resume pursuant to the customer's open access distribution schedule and/or contract.

Any contract, which has been affected by the application of this provision, shall have its term extended for a period of time equal in length to the duration of distribution service decrease.

If the event causing the distribution service decrease is of such severity that the customer decides not to continue in business at the affected location, and so notifies the Company in writing, the above provision will not be applied. Under such circumstances, the customer will pay to the Company (1) a sum equal to the value of the Company's estimated original plant in service including the cost of the transmission and distribution voltage lines and other equipment erected or reserved specifically for that customer's use, less accumulated depreciation and less the net salvage value of that equipment, or (2) any remaining demand or minimum bill charges due under the contract or any extension thereof resulting from application of this provision.

In the event of loss of or injury to the property or equipment of the Company through misuse or negligence of the customer or the customer's employees or invitees, the cost of any necessary repairs or replacement shall be repaid to the Company by the customer. The customer will be held responsible for any tampering or interfering with or breaking the seals of meters or other equipment of the Company installed on the customer's premises and will be held liable for the same according to law.

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The customer hereby agrees that no one except the employees of the Company, or the Company's agents, shall be allowed to make any internal or external adjustments of any meter or any other piece of equipment which is the property of the Company.

Customers will also be responsible for tampering with, interfering with, or breaking of seals of meters installed by an MSP or other related apparatus, regardless of ownership. No one except the employees of the Company, MSP, or their agents, shall be allowed to make any internal or external adjustments of any such meter, regardless of ownership.

At the request of any customer served on a schedule containing a separate demand charge, the Company shall provide a demand signal to the customer. The customer shall pay to the Company the cost for providing the signal. The Company shall not be liable for a loss of signal, and in such event the customer shall pay for the demand and energy as actually metered by the Company.

Suspension of service for any of the above reasons shall not terminate the contract for service. The authorized agents or employees of the Company shall have free and safe access at all reasonable hours and in emergencies to enter the premises of the customer for the purpose of installing, reading, removing, testing, replacing, or otherwise disposing of its apparatus and property, and the right of entire removal of the Company's property in the event of the termination of the contract for any cause. The customer will keep the area where the Company's apparatus and property are located free from obstruction, danger and/or safety hazards. The Company's agent will, upon request, show credentials and state the reasons for requiring access.

No responsibility of any kind shall attach to the Company for or on account of any loss, injury or damage caused by or resulting from defects in or inadequacy of the wires, switches, equipment, or appurtenances of the customer, or from the installation, maintenance or use thereof.

19. COMPANY'S LIABILITY

The Company will use reasonable diligence in delivering a regular and uninterrupted supply of energy to the customer, but does not guarantee uninterrupted service. The Company shall not be liable for damages in case such supply should be interrupted or fail by reason of an act of God, the public enemy, accidents, labor disputes, orders or acts of civil or military authority, breakdowns or injury to the machinery, transmission lines, distribution lines or other facilities of the Company, extraordinary repairs, or any act of the Company, including the interruption of service to any customer, taken to prevent or limit the extent or duration of interruption, instability or disturbance on the electric system of the Company or any electric system interconnected, directly or indirectly, with the Company's system, whenever such act is necessary or indicated in the sole judgment of the Company.

The Company shall not be liable for damages in case such service should be interrupted or by failure of the customer's CRES Provider to provide appropriate energy to the Company for delivery to the customer.

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The Company shall not be liable for any loss, injury, or damage resulting from the customer's use of the customer's equipment or occasioned by the energy furnished by the Company beyond the delivery point. Unless otherwise provided in a contract between the Company and customer, the point at which service is delivered by the Company to the customer, to be known as "delivery point", shall be the point at which the customer's facilities are connected to the Company's facilities. The metering device is the property of the Company; however, the meter base and all internal parts inside the meter base are customer owned and are the responsibility of the customer to install and maintain. The Company shall not be liable for any loss, injury, or damage caused by equipment which is not owned, installed and maintained by the Company.

The customer shall provide and maintain suitable protective devices on the customer's equipment to prevent any loss, injury, or damage that might result from single phasing conditions or any other fluctuation or irregularity in the supply of energy. The Company shall not be liable for any loss, injury, or damage resulting from a single phasing condition or any other fluctuation or irregularity in the delivery of energy which could have been prevented by the use of such protective devices. The Company shall not be liable for any damages, whether direct or consequential, including, without limitations, loss of profits, loss of revenue, or loss of production capacity occasioned by interruptions, fluctuations or irregularity in the supply of energy.

The Company is not responsible for loss or damage caused by the disconnection or reconnection of its facilities. The Company is not responsible for loss or damages caused by the theft or destruction of Company facilities by a third party.

Except as otherwise provided in this Section, the Company shall be liable to the customer for damage directly resulting from interruptions, irregularities, delays, or failures of distribution service, caused by the negligence of the Company or its employees or agents, but any such liability shall not exceed the cost of repairing, or actual cash value, whichever is less, of equipment, appliances, and perishable food stored in a customer's residence damaged as a direct result of such negligence. The customer must notify the Company of any claim based on such negligence within thirty days after the interruption, irregularity, delay or failure begins. The Company shall not be liable for consequential damages of any kind. This limitation shall not relieve the Company from liability which might otherwise be imposed by law with respect to any claims for personal injuries to the customer.

The Company will provide and maintain the necessary line or service connections, transformers (when same are required by conditions of contract between the parties thereto), and other apparatus which may be required for the protection to its service. All such apparatus shall be and remain the property of the Company and the Company shall be granted ready access to the same. The Company or MSP will provide and maintain the necessary meters and other apparatus which may be required for the proper measurement of the Company service. All such apparatus shall be and remain the property of either the Company or MSP and the Company or MSP shall be granted ready access to the same, except to read inside meters. Such access to inside meters shall be granted upon reasonable request to residential customers during regular business hours.

Approval of the above schedule language by the Commission does not constitute a determination by the Commission that the limitation of liability imposed by the Company should be upheld in a court of law. Approval by the Commission merely recognizes that since it is a court's responsibility to adjudicate negligence and consequent damage claims, it is also the court's responsibility to determine the validity of the exculpatory clause.

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20. RESIDENTIAL SERVICE

The Residential Customer is a customer whose domestic needs for distribution service are limited to their primary single family residence, single occupancy apartment and/or condominium, mobile housing unit, or any other single family residential unit. Individual residences shall be served individually under a residential open access distribution schedule. Customer may not take distribution service for two (2) or more separate residences through a single meter under any schedule, irrespective of common ownership of the several residences, except that in the case of an apartment house with a number of individual apartments the landlord shall have the choice of providing separate wiring for each apartment so that the Company may provide delivery to each apartment separately under the residential open access distribution schedule, or of purchasing the entire distribution service through a single meter under the appropriate general service open access distribution schedule.

Where a single-family house is converted to include separate living quarters or dwelling units for more than one family, or where two (2) or more families occupy a single-family house with separate cooking facilities, the owner may, instead of providing separate wiring for each dwelling unit, take service through a single meter under the residential open access distribution schedule. In such case, there will be a single customer charge, but the quantity of kilowatt-hours in each block will be multiplied by the number of dwelling units or families occupying the building.

The residential open access distribution schedule shall cease to apply to that portion of a residence which becomes primarily used for business, professional, institutional or gainful purposes. Under these circumstances, the customer shall have the choice: (1) of separating the wiring so that the residential portion of the premises is served through a separate meter under the residential open access distribution schedule and the other uses as enumerated above are served through a separate meter or meters under the appropriate general service open access distribution schedule; or (2) of taking the entire service under the appropriate general service open access distribution schedule. Motors of ten (10) HP or less may be served under the appropriate residential open access distribution schedule. Larger motors may be served where, in the Company's sole judgment, the existing facilities of the Company are adequate.

Detached building or buildings, actually appurtenant to the residence, such as a garage, stable or barn, may be served by an extension of the customer's residence wiring through the residence meter provided no business activities are transacted in the detached buildings.

In the event a detached garage or other facility on a residential customer's property is separately served and metered, such facility shall be metered and billed according to the appropriate general service open access distribution schedule.

The Company's rules for the establishment of credit for residential utility service is governed by Chapter 4901:1-10-14 of the Ohio Administrative Code, and the Company's disconnect and reconnect procedures for residential customers is governed by Chapter 4901:1-18 of the Ohio Administrative Code.

21. DEPOSITS

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Security for the payment of bills for distribution service will be governed, as specified in Chapter 4901:1-10-14 of the Ohio Administrative Code, which is herein incorporated by reference as it is from time to time amended.

The Company will be entitled to pursue adequate assurance of payment for distribution service if a customer files for protection under provisions of the United States Bankruptcy Code.

The Company may require a deposit by the customer not exceeding the amount of the estimated monthly average cost of the annual consumption by such customer plus thirty percent. The Company will pay interest on deposits, at a rate of not less than three percent per annum, so made in accordance with legal requirements, provided such deposit be left with the Company for at least six (6) consecutive months. Retention by the Company, prior to final settlement, of any deposit or guarantee is not a payment or part payment of any bill for service.

22. BILLING AND BILLS PAYABLE

The customer will be held responsible for all charges for distribution service. Bills for distribution service will be rendered by the Company to the customer approximately thirty (30) days apart in accordance with the open access distribution schedule applicable to the customer's distribution service with the following exception:

Year-round residential and not-for-profit open access distribution general service schedule customers shall have the option of paying bills for distribution service under the Company's equal payment plan (Budget Plan), whereby the cost of distribution service for the succeeding 12-month period is estimated in advance, and bills are rendered monthly on the basis of one-twelfth of the 12-month estimate. The Company may at any time during the 12-month period adjust the estimate so made, and the bills rendered in accordance with such estimate, to conform more nearly with the actual use of service being experienced. The normal equal payment period will be twelve (12) months, commencing in any month selected by the Company, but in those cases where billing is commenced during a month which leaves less than twelve (12) months until the beginning of the next normal equal payment period to which the customer is assigned, payments shall be calculated on the basis of the months in such period.

In case the actual distribution charges during any equal payment period exceed the bills as rendered on the equal payment plan, the amount of such excess shall be paid on or before the due date of the bill covering the last month of the equal payment period in which such excess appears, or such excess may be added to the estimated use for the next normal equal payment period of twelve (12) months, and shall be payable in equal monthly payments over such period, except that if the customer discontinues service with the Company under the equal payment plan, any such excess not yet paid shall become payable immediately. In case the actual distribution charges during the equal payment period are less than the amount paid under the equal payment plan during such period, the amount of such overpayment shall, at the option of the Company, either be refunded to the customer or credited on the customer's last bill for the period.

If a customer fails to pay bills as rendered on the equal payment plan, the Company shall have the right to withdraw the plan with respect to such customer and to restore the customer to billing as provided for in the applicable open access distribution schedules, in addition to any other rights which the Company may have under such schedules and terms and conditions of service in case of arrearage in payment of bills.

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The customer will be held responsible for all charges for electric energy delivered at the customer's premises. Bills will be rendered for each month's use by the Company to the customer. All bills from the Company are due and payable in full by mail, checkless payment plan, electronic payment plan, or at an authorized payment agent of the Company within the time limits specified in the schedule. For the purpose of this section, the United States Postal Service is not an authorized payment agent, and payments received through the Postal Service are considered paid when received at the Company's business offices. Failure to receive a bill will not entitle the customer to any discount or to the remission of any charge for nonpayment within the time specified. For purposes of this Section, the word "month" as used herein and in the open access distribution schedules is hereby defined to be the elapsed time between two successive meter readings approximately thirty (30) days apart.

If the customer fails to pay in full any final bill for distribution service rendered and said customer receives like service at another location, the Company may transfer the unpaid balance of the final bill to the customer's like service account for any such other location. Like service refers to an end use within the following broad categories: residential, commercial, or industrial. Such amount shall be designated as a past-due amount on the account at such location and subject to collection and disconnection action in accordance with Chapter 4901:1-18 of the Ohio Administrative Code and the Company's filed tariffs, terms and conditions of service, provided that such transfer of a final bill shall not be used to disconnect service to a residential customer who is not responsible for such bill.

If the amount of energy consumed is not properly registered by a meter for any reason, or is not properly charged to the customer's account, the entity providing billing services, either the Company or a BA, will, for the period of time that incorrect billings can be established, adjust the meter readings and billings to reflect all available information concerning the actual use by the customer. Any resulting overpayment will be paid or credited to the customer by the appropriate billing entity. Unless the customer and the Company agree otherwise, the Company will bill non-residential accounts any undercharged amount in compliance with Chapter 4901: 1-10 of the Ohio Administrative Code, as amended from time to time. The Company shall bill uncharged amounts for residential customers in compliance with section 4933.28 of the Revised Code, as amended from time to time. Should the amount of the adjustment for distribution charges be under dispute, the Company will continue to supply distribution service and the customer shall continue to pay the amounts billed until a final determination is made.

A customer shall be charged \$9.00 for any dishonored check received in payment for a bill rendered by the Company, unless the customer shows that the bank was in error.

At the Company's discretion, any customer receiving Company consolidated billing with a CRES Provider billing arrearage of more than 60 days may be switched back to the Company's Standard Offer Service and will not be permitted to select a new CRES Provider until the arrearage is paid.

23. CHANGE OF ADDRESS BY CUSTOMER

It is the responsibility of an existing customer to notify the Company when distribution service is to be discontinued, and to provide a mailing address for the final bill.

When the Company receives notice from an existing customer that distribution service is to be discontinued, or from a prospective customer that an existing distribution service is to be transferred into the

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prospective customer's name, the Company will, within three (3) business days, determine the meter reading for the final distribution bill to the existing customer. Such determination shall be made either by estimation or, upon customer request, by an actual meter reading. The existing customer will be responsible for all service supplied to the premises until such meter reading and discontinuance or transfer is made. Transfer of service to a qualified prospective customer will not be delayed or denied because of nonpayment of the final distribution bill by the former customer, unless the former customer continues to be a consumer of electric service at that premise.

24. DENIAL OR DISCONTINUATION OF SERVICE

The Company reserves the right to refuse any applicant for service if the applicant is indebted to the Company for any service theretofore rendered at any location, provided the Company shall advise applicant to such effect, and provided that indebtedness for one (1) class of service shall not cause the refusal of service to a different class of service. The Company reserves the right to discontinue service to any customer without notice for safety reasons, and with notice as required by Rule 4901:1-10-20 of the O.A.C., for fraud against the company. Service will not be restored until the customer has given satisfactory assurance that such fraudulent or damaging practice will be discontinued and has paid to the Company an amount estimated by the Company to be reasonable compensation for services fraudulently obtained and for any damage to property of the Company.

Subject to the further provisions for residential customers contained in Chapter 4901:1-18 of the Ohio Administrative Code which is herein incorporated by reference as it is from time to time amended, and in accordance with the provision for non-residential customers contained in Chapter 4901:1-10-17, the Company also reserves the right after at least five (5) days notice in writing to discontinue to serve any customer (1) who is indebted to the Company for any service theretofore rendered at any location (on other than equal payment plan accounts having a credit balance), and provided that indebtedness for one (1) class of service shall not cause the disconnection of service to a different class of service (2) for failure to provide and maintain adequate security for the payment of bills as requested by the Company, or (3) for failure to comply with these Terms and Conditions. Any discontinuance of service shall not terminate the contract between the Company and the customer nor shall it abrogate any minimum charge which may be effective.

When a Company employee is dispatched to a customer's premises for the purpose of performing disconnection activities due to the customer's delinquency, the customer will be charged a collection trip charge of \$16.00 if the disconnection activity is not performed as the result of extenuating circumstances.

The Company will bill only "one (1)" trip charge per month to comply with Rule 4901:1-18-07 (C) of the O.A.C.

If a customer has been disconnected, upon payment or proof of payment of the delinquent amount plus a reconnection fee as specified below, which represents the cost to the Company of disconnecting and reconnecting a customer during the Company's normal working hours, the Company will reconnect the electric service on this same day, if such payment or proof of payment is made at the Company's authorized payment agent by 12:30 p.m., and otherwise as soon as possible but not later than the close of the Company's next regular working day. When such payment is made after 12:30 p.m. and the Company's employees cannot reconnect the service prior to the end of their normal workday, and the customer prefers to be reconnected prior to the beginning of the next regular workday, the disconnection and reconnection charge payable prior to reconnection will be the overtime rate specified below, an amount which recognizes the

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Company's average additional cost of reconnecting a customer outside of normal working hours. No reconnect for nonpayment will be made after 9:00 PM from April 15 through October 31 or after 7:00 PM November 1 through April 14.

Reconnection Service Charges

When service has been terminated for nonpayment, the following charges shall apply for reconnection of service.

During Normal Business Hours

Reconnect at Meter	\$53.00
Reconnect at Pole	\$154.00
Install Locking Device and Reconnect	\$73.00

Other Than Normal Business Hours Off-Shift Sunday or Holiday

Reconnect at Meter	\$98.00	\$119.00
Reconnect at Pole	\$192.00	\$221.00

When service has been terminated at the pole, per the customer's request, for non-credit related reasons, the customer will be assessed a \$153.00 disconnection/reconnection charge for the subsequent reconnection at the same location.

25. DISCONNECT PROVISIONS – NON-RESIDENTIAL

The company may refuse or disconnect service to non-residential customers for any of the following reasons:

- (A) When the customer violates or fails to comply with the contract or tariff's;
- (B) When service to a customer or consumer violates any law of this state or any political subdivision thereof, or any federal law or regulation;
- (C) When a customer or consumer tampers with company property or engages in a fraudulent practice to obtain service, as set forth in rule 4901:1-10-20 of the Ohio Administrative Code;
- (D) For using electricity or equipment which adversely affects service to other customers or consumers, e.g., voltage fluctuations, power surges, and interruptions of service;
- (E) When a safety hazard to consumers or their premises, the public, or to the Company personnel or facilities exists;
- (F) When the customer, landlord of the tenant/customer, or tenant leasing the landlord/customer's premises refuses access to Company's facilities or equipment on the customer's property or property leased by the customer;
- (G) For nonpayment of bills and any tariff charges, including security deposits and amounts not in bona fide dispute. Where the customer has registered a complaint with the Commission's public interest center or filed a formal complaint with the Commission which reasonably asserts a bona

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in a bona fide dispute, the Company shall not disconnect service if the customer pays either the undisputed portion of the bill or the amount paid for the same billing period in the previous year;

- (H) When the customer vacates the premises;
- (I) For repairs, provided that the Company has notified consumers prior to scheduled maintenance interruptions in excess of six hours;
- (J) Upon the customer's request;
- (K) A former customer, whose account with that is in arrears for service furnished at the premises, resides at, or has requested service for, such premises;
- (L) When an emergency may threaten the health or safety of a person, a surrounding area, or the operation of the Company's electrical system; and
- (M) For other good cause shown.

Suspension of service for any of the above reasons shall not terminate the contract for service. The authorized agents or employees of the Company shall have free access at all reasonable hours to the premises of the customer for purposes of disconnecting and reconnecting service.

26. CHANGING COMPETITIVE SERVICE PROVIDERS

Standard Offer Service will be provided under the Company's standard schedules.

Customers may change Competitive Service Providers (CSPs) no more than once during any month subject to the provisions below.

Requests to change a customer's Competitive Retail Electric Service (CRES) Provider must be received by the Company from the new CRES Provider. If the Company receives such a request to change a customer's CRES Provider, the customer shall be notified by the Company concerning the requested change within two business days. If the customer challenges the requested change, the change will not be initiated.

Residential and General Service—1 customers have seven (7) days from the postmark date on the notice to contact the Company to rescind the enrollment request or notify the Company that the change of CRES Provider was not requested by the customer. General Service—2, 3, and 4 customers must contact the CRES Provider directly to stop the switch. Within two business days after receiving a customer request to rescind enrollment with a CRES Provider, the Company shall initiate such rescission and mail the customer confirmation that such action has been taken.

Any request for initial service under the Company's open access distribution schedules or subsequent changes to a customer's MSP, MDMA and/or BA must be provided by the CRES Provider that provides energy services to the customer and arranges for such MSP, MDMA and/or BA services on behalf of the customer. The CRES Provider must obtain, and maintain documentation of, authorization from the customer for any changes in MSP, MDMA and/or BA.

A charge of \$5.00 will be assessed to the CRES Provider for each transaction in which a customer authorizes a change in one or more CSPs. However, this switching charge shall not apply in the following specific circumstances: (a) the customer's initial change to service under the Company's open access distribution schedules and service from an CRES Provider, (b) the customer's CRES Provider is changed involuntarily, (c) the customer returns to service from the customer's former CRES Provider following an

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involuntary change in CRES Provider, or (d) the customer's former CRES Provider's services have been permanently terminated and the customer must choose another CRES Provider.

In the event that a CSP's services are permanently terminated, and the CSP has not provided for service to the affected customers, the CSP shall send timely notification to the Company and the affected customers regarding the termination of such services. Such notification shall describe the process for selecting a new CSP and note that service will be provided by the Company under the Company's Standard Offer Service if a new CSP is not selected.

A customer's return to the Company's Standard Offer Service may be a result of customer choice, CRES Provider default, termination of a CRES Provider contract, opt out or termination of a governmental aggregation program, or CRES Provider withdrawal. A customer will be returned to Standard Offer Service only after the customer fails to choose an alternative CRES Provider.

A customer may contact the Company and request to return to the Company's Standard Offer Service. The return to Standard Offer Service shall be conducted under the same terms and conditions applicable to an enrollment with a CRES Provider. The customer will have a seven (7) calendar day rescission period after requesting the Company's Standard Offer Service.

Provided the customer has observed the applicable notification requirements and the Company has effectuated the request to return to Standard Offer Service at least twelve (12) calendar days prior to the next regularly scheduled meter reading date, the customer will be returned to Standard Offer Service on the next regularly scheduled meter reading date.

27. CUSTOMER CHOICE OF COMPETITIVE SERVICE PROVIDER

Customers may elect energy services from a qualified CRES Provider, metering services from a qualified Meter Service Provider (MSP), meter data management services from a qualified Meter Data Management Agent (MDMA) and/or billing services from a qualified Billing Agent (BA). Any MSP, MDMA and/or BA services provided to the customer must be arranged through the CRES Provider who provides energy services to the customer.

Qualifications and other eligibility criteria for such entities are specified in the Supplier Terms and Conditions of Service. CRES Providers, MSPs, MDMA and BAs are also subject to the rules and certification criteria established by the Commission for such entities as also incorporated in the Supplier Terms and Conditions of Service. CRES Providers, MSPs, MDMA and BAs are collectively referred to as Competitive Service Providers (CSPs).

Any customer who desires service from a CSP must first contract with a CRES Provider who will arrange for the provision of such services. The CRES Provider shall then notify the Company at least twelve (12) calendar days prior to the customer's regularly scheduled meter reading date after which the customer will receive service from the CSP. All changes in CRES Providers shall occur at the end of the customer's regularly scheduled meter reading date. Any request to change a customer's CRES Provider received after twelve (12) calendar days prior to the customer's regularly scheduled meter reading date shall become effective the subsequent billing month.

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A customer is not permitted to have partial Competitive Retail Electric Service. The CRES Provider(s) shall be responsible for providing the total energy consumed by the customer during any given billing month.

Upon request, customers will be sent an information package containing a summary of the Customer Choice program and a current list of CRES Providers.

The list of CRES Providers will be provided to any customer upon request, all new customers, any customer who is dropped for nonpayment by a CRES Provider, and any customer who returns to the Company's Standard Offer Service due to default by a CRES Provider.

The list of CRES Providers will be posted on the Company's website. The list of CRES Providers will contain the names of those CRES Providers currently registered to enroll and actively seeking residential customers in the Company's service territory.

The Company will offer to CRES Providers the Pre-Enrollment Customer Information List with updates available monthly. Customers have the option to remove all of their information (including name, address and historical usage data) from the Customer Information List. Customers may also reinstate their information to the Customer Information List. Customers will be notified of such options quarterly.

28. LOSSES

Either the CRES Provider or the Transmission Provider may provide both transmission and distribution losses as required to serve customers at various delivery voltages. If a CRES Provider arranges to provide transmission losses under the provisions of the applicable Open Access Transmission Tariff, then the CRES Provider must also arrange for the appropriate distribution losses. Customers served at transmission and subtransmission voltages require no additional losses other than the losses specified in the applicable Open Access Transmission Tariff. Customers served at primary distribution voltage require 2.0% additional average losses of amounts received by the Company for delivery to the customer. Customers served at secondary distribution voltage require 5.4% additional average losses of amounts received by the Company for delivery to the customer.

29. TRANSMISSION SERVICE

Transmission service shall be made available under the terms and conditions contained within the applicable Open Access Transmission Tariff as filed with and accepted by the Federal Energy Regulatory Commission. CRES Providers may contract with the Transmission Provider for transmission service under the applicable Open Access Transmission Tariff. The Transmission Provider is the applicable regional transmission entity. PJM Interconnection LLC is currently the applicable regional transmission entity. All CRES Providers must complete all required actions relative to membership with the Transmission Provider and be authorized by the Transmission Provider to transact business with regard to transmission service. The contracting entity or its designee is responsible for scheduling under the tariff. Unless other arrangements have been made, the scheduling entity will be billed by the Transmission Provider for transmission services.

The contracting entity must also purchase or provide ancillary services as specified under the applicable Open Access Transmission Tariff.

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Billing and payment shall be performed as specified in the applicable Open Access Transmission Tariff.

Provisions for scheduling and imbalance are contained within the applicable Open Access Transmission Tariff.

The Company will bill all customers for the following transmission services:

PJM LINE	CHARGES / CREDITS
1100	Network Integration Transmission Service
1108	Transmission Enhancement
1320	Transmission Owner Scheduling, System Control and Dispatch Service
1330	Reactive Supply and Voltage Control from Generation and Other Sources Service
1450	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service
1930	Generation Deactivation
2130	Firm Point-to-Point Transmission Service
2140	Non-Firm Point-to-Point Transmission Service

Upon notification by the Company, all CRES Providers shall approve the Company's prepared Billing Line Item Transfers through PJM's Billing Line Item Transfer Tool to allow charges and credits for the above transmission services to be assigned to the Company. All other transmission service charges and credits shall be the responsibility of the CRES Provider.

30. RESERVED

31. SUPPLIER TERMS AND CONDITIONS OF SERVICE

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31.4	Changing Competitive Service Providers
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31.2 APPLICATION

These Supplier Terms and Conditions of Service apply to any person, firm, copartnership, voluntary association, joint-stock association, company or corporation, wherever organized or incorporated, that is engaged in the business of supplying electricity to customers that take distribution service from the Company. These Supplier Terms and Conditions of Service also apply to any such entity that is engaged in the business of providing metering, meter data management and billing services to customers that take distribution service from the Company.

A copy of the Supplier Terms and Conditions of Service under which service is to be rendered will be furnished upon request.

31.3 CUSTOMER CHOICE OF COMPETITIVE SERVICE PROVIDER

Customers taking service under the Company's Terms and Conditions of Open Access Distribution Service may elect energy services from a qualified CRES Provider, metering services from a qualified Meter Service Provider (MSP), meter data management services from a qualified Meter Data Management Agent (MDMA) and/or billing services from a qualified Billing Agent (BA). Any MSP, MDMA and/or BA services provided to the customer must be arranged through the CRES Provider who provides energy services to the customer.

Qualifications and other eligibility criteria for such entities are specified herein. CRES Providers, MSPs, MDMA and BAs are also subject to the rules and certification criteria established by the Commission for such entities as incorporated herein. CRES Providers, MSPs, MDMA and BAs are collectively referred to as Competitive Service Providers (CSPs).

Any customer who desires service from a CSP must first contract with a CRES Provider who will arrange for the provision of such services. The CRES Provider shall then notify the Company at least twelve (12) calendar days prior to the customer's regularly scheduled meter reading date after which the customer will receive service from the CSP. All changes in CRES Provider shall occur at the end of the customer's regularly scheduled meter reading date. Any request to change a customer's CRES Provider received after

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twelve (12) calendar days prior to the customer's regularly scheduled meter reading date shall become effective the subsequent billing month.

Upon request, customers will be sent an information package containing a summary of the Customer Choice program and a current list of CRES Providers.

The list of CRES Providers will be provided to any customer upon request, all new customers, any customer who is dropped for nonpayment by a CRES Provider, and any customer who returns to the Company's Standard Offer Service due to default by a CRES Provider.

The list of CRES Providers will be posted on the Company's website. The list of CRES Providers will contain the names of those CRES Providers currently registered to enroll and actively seeking residential customers in the Company's service territory.

31.4 CHANGING COMPETITIVE SERVICE PROVIDERS

Standard Offer Service will be provided under the Company's standard schedules.

Customers may change CSPs no more than once during any month subject to the provisions below.

Requests to change a customer's CRES Provider must be received by the Company from the new CRES Provider. If the Company receives such a request to change a customer's CRES Provider, the customer shall be notified by the Company concerning the requested change within two (2) business days. If the customer challenges the requested change, the change will not be initiated. Residential and General Service (excluding Mercantile) customers have seven (7) calendar days from the postmark date on the notice to contact the Company to rescind the enrollment request or notify the Company that the change of CRES Provider was not requested by the customer. Mercantile customers must contact the CRES Provider directly to stop the switch. Within two (2) business days after receiving a customer request to rescind enrollment with a CRES Provider, the Company shall initiate such rescission and mail the customer confirmation that such action has been taken.

Any request for initial service for a customer under the Company's open access distribution schedules or subsequent changes to a customer's MSP, MDMA and/or BA must be provided by the CRES Provider that provides energy services to the customer and arranges for such MSP, MDMA and/or BA services on behalf of the customer. The CRES Provider must obtain, and maintain documentation of, authorization from the customer for any changes in MSP, MDMA and/or BA.

A charge of \$5.00 will be assessed to the CRES Provider for each transaction in which a customer authorizes a change in one or more CSPs. However, this switching charge shall not apply in the following specific circumstances: (a) the customer's initial change to service under the Company's open access distribution schedules and service from a CRES Provider, (b) the customer's CRES Provider is changed involuntarily, (c) the customer returns to service from the customer's former CRES Provider following an involuntary change in CRES Provider, or (d) the customer's former CRES Provider's services have been permanently terminated and the customer must choose another CRES Provider.

In the event that a CSP's services are permanently terminated, and the CSP has not provided for service to the affected customers, the CSP shall send timely notification to the Company and the affected

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customers regarding the termination of such services. Such notification shall describe the process for selecting a new CSP and note that service will be provided by the Company under the Company's Standard Offer Service if a new CSP is not selected.

A customer's return to the Company's Standard Offer Service may be a result of customer choice, CRES Provider default, termination of a CRES Provider contract, opt out or termination of a governmental aggregation program, or CRES Provider withdrawal. A customer will be returned to Standard Offer Service only after the customer fails to choose an alternative CRES Provider.

A customer may contact the Company and request to return to the Company's Standard Offer Service. The return to Standard Offer Service shall be conducted under the same terms and conditions applicable to an enrollment with a CRES Provider. The customer will have a seven (7) calendar day rescission period after requesting the Company's Standard Offer Service. Provided the customer has observed the applicable notification requirements and the Company has effectuated the request to return to Standard Offer Service at least twelve (12) calendar days prior to the next regularly scheduled meter reading date, the customer will be returned to Standard Offer Service on the next regularly scheduled meter reading date.

31.5 GENERAL PROVISIONS FOR COMPETITIVE SERVICE PROVIDERS

A CSP must comply with all rules and requirements established by the Commission pertaining, but not limited to, general business practices, information disclosure, customer contract rescission, dispute resolution, customer authorization for switching suppliers, termination of customer contracts, information exchange and supply obligations. A CSP must also agree to comply with all applicable provisions of the Company's open access distribution service schedules, Supplier Terms and Conditions of Service, Terms and Conditions of Open Access Distribution Service, and the applicable Open Access Transmission Tariff. A CSP must also comply with the National Electrical Safety Code if applicable to the service provided by the CSP.

A customer is not permitted to have partial Competitive Retail Electric Service. The CRES Provider(s) shall be responsible for providing the total energy consumed by the customer during any given billing month. In the event the CRES Provider fails to supply sufficient energy to serve its customers, the CRES Provider shall be responsible for payment for such energy as provided in Section 31.9 of these Supplier Terms and Conditions of Service.

31.6 TRANSMISSION SERVICE RTO SETTLEMENTS, AND RELIABILITY REQUIREMENTS

a. Transmission Service

Transmission service shall be made available under the terms and conditions contained within the applicable Open Access Transmission Tariff as filed with and accepted by the Federal Energy Regulatory Commission. CRES Providers may contract with the Transmission Provider for transmission service under the applicable Open Access Transmission Tariff. The Transmission Provider is the applicable regional transmission operator (RTO). PJM Interconnection L.L.C. (PJM) is currently the applicable RTO. All CRES Providers must complete all required actions relative to membership with the Transmission Provider and be authorized by the Transmission Provider to transact business with regard to transmission service.

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The contracting entity or its designee is responsible for scheduling under the applicable Open Access Transmission Tariff. Unless other arrangements have been made, the scheduling entity will be billed by the Transmission Provider for transmission services. The contracting entity must also purchase or provide ancillary services as specified under the applicable Open Access Transmission Tariff.

Billing and payment shall be performed as specified in the applicable Open Access Transmission Tariff.

Failure to obtain sufficient transmission service and ancillary services will result in a suspension of the CRES Provider's registration until resumption of such services by the CRES Provider occurs.

b. RTO Settlements

PJM performs settlements for transmission, capacity and energy obligations for CRES provider market participation on predefined intervals using metered customer load obligations and daily CRES Provider customer enrollment obligation data provided by AEP Ohio. AEP Ohio will make a best effort providing accurate load and customer obligation data. Energy is initially settled by PJM day-after load for CRES Providers, called "Settlement A." After final readings are available to AEP Ohio, supplier load obligation variances are reported to PJM, and PJM performs a final 60-Day energy settlement for the market, called "Settlement B." Until such time PJM establishes processes outside of the 60-day final settlement process. AEP Ohio will resettle capacity, and energy adjustments that are identified outside of the 60-day PJM energy market, but only up to twelve months after the 60-day period and only adjustments affecting billing for customers GS-2 or above with total adjustment amounts equal to or greater than 36,000 MWH or more in energy. Such adjustments shall be credited or assessed against each LSE in the AEP Ohio zone, as applicable, based upon corrected load shares during the adjustment period, and shall be identified on a specific line item for credits and/or assessments, and as a condition for doing business in the Company's service territory all CRES Providers will be deemed to have consented and agreed to permit any such resettlements to be completed by and through AEP Ohio and/or PJM.

The Company will make available on its website (<http://www.aepohio.com>) current settlement policies and calculation procedures including but not limited to CRES Provider capacity and energy obligations related to initial PJM "Settlement A", final 60-Day energy "Settlement B."

c. Reliability Requirements

A CRES Provider shall satisfy those applicable reliability requirements issued by the Commission, Transmission Provider, or any other governmental agency or North American Electric Reliability Corporation (NERC) or regional reliability council or their successor who has authority over the CRES Provider.

The Company will bill all customers for the following transmission services:

PJM LINE	CHARGES / CREDITS
1100	Network Integration Transmission Service
1108	Transmission Enhancement
1320	Transmission Owner Scheduling, System Control and Dispatch Service

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1330	Reactive Supply and Voltage Control from Generation and Other Sources Service
1450	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service
1930	Generation Deactivation
2130	Firm Point-to-Point Transmission Service
2140	Non-Firm Point-to-Point Transmission Service

Upon notification by the Company, all CRES Providers shall approve the Company's prepared Billing Line-Item Transfer (BLIT) through PJM's Billing Line Item Transfer Tool to allow charges and credits for the above transmission services to be assigned to the Company. All other transmission service charges and credits shall be the responsibility of the CRES Provider.

31.7 SUPPLIER CERTIFICATION WITH THE COMMISSION

Suppliers desiring to become CRES Providers must first be certified by the Commission and shall be subject to any certification criteria adopted by the Commission according to Section 4928.08, Ohio Revised Code.

31.8 CRES PROVIDER REGISTRATION WITH THE COMPANY

CRES Providers desiring to provide Competitive Retail Electric Service to customers located within the Company's Service Territory must register with the Company. The following requirements must be completed by the CRES Provider in order to register with the Company:

- a. Proof of certification by the Commission, including any information provided to the Commission as part of the certification process. The registration process may be initiated upon receipt by the Company of an application for certification by the Commission. However, the Company will not complete the registration process until proof of certification by the Commission has been provided.
- b. A completed copy of the Company's CRES Provider Registration Application for the State of Ohio, along with a non-refundable \$100.00 registration fee payable to the Company.
- c. A \$100.00 annual registration fee payable to the Company which shall be due October 31 of the first calendar year following the year of the initial registration and each calendar year thereafter.
- d. Credit information and security requirements that satisfy Section 31.9 CRES Provider Credit Requirements to be held by the Company against CRES Provider defaults and a description of the CRES Provider's plan to procure sufficient electric energy and transmission services to meet the requirements of its firm service customers.
- e. The name of the CRES Provider, business and mailing addresses, and the names, telephone numbers and e-mail addresses of appropriate contact persons, including the 24-hour emergency contact telephone number and emergency contact person(s).
- f. Details of the CRES Provider's dispute resolution process for customer complaints.

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- g. An executed Electric Distribution Company/Competitive Retail Electric Service Provider Agreement including a signed statement by the officer(s) of the CRES Provider committing it to adhere to the Company's Open Access Distribution Schedules, Terms and Conditions of Open Access Distribution Service, Supplier Terms and Conditions of Service and any additional requirements stated in any agreement between the CRES Provider and the Company regarding services provided by either party.
- h. Submission of necessary forms for, and successful completion of EDI certification testing for applicable transaction sets necessary to commence service, performed quarterly by the Company.
- i. Submission of the necessary form to authorize the Company to remit payment to CRES Provider's bank account upon receipt of customer payment of consolidated energy charges
- j. Submission of the CRES Provider's IRS Form W-9.
- k. For evidence of PJM membership, submission of a copy of executed Schedule 4 of the PJM Operating Agreement between the CRES Provider and PJM.
- l. Confirmation that the PJM account information submitted on the registration application above is specific to AEP Ohio load only.
- m. The Company shall approve or disapprove the CRES Provider's registration within thirty (30) calendar days of receipt of complete registration information from the CRES Provider. The thirty (30) day time period may be extended for up to thirty (30) days for good cause shown, or until such other time as is mutually agreed to by the CRES Provider and the Company.

The Company will notify the CRES Provider of incomplete registration information within ten (10) calendar days of receipt. The notice to the CRES Provider shall include a description of the missing or incomplete information.

The Company may reject a CRES registration for any of the following reasons:

- a. The CRES Provider has been identified by the Company as not satisfying the CRES Provider Credit Information and security requirements.
- b. The Company has provided written notice to the CRES Provider that a registration is incomplete and the CRES Provider has failed to submit a completed registration within thirty (30) calendar days of the notification.
- c. The CRES Provider has failed to comply with payment and billing requirements as specified in these Supplier Terms and Conditions of Service.
- d. The CRES Provider has failed to comply with all applicable requirements of the Transmission Provider Open Access Transmission Tariff for its registration to be accepted as complete.

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- e. The CRES Provider has failed to execute an Electric Distribution Utility/Competitive Retail Electric Service Provider Agreement, and/or has not successfully completed EDI testing for applicable transaction sets necessary for the commencement of service.

The Company shall not be required to provide services to a CRES Provider unless the CRES Provider is current in its payment of all charges owed under these Supplier Terms and Conditions of Service, Terms and Conditions of Open Access Distribution Service.

CRES Providers shall be solely responsible for having appropriate contractual or other arrangements with their customers necessary to implement Competitive Retail Electric Service consistent with all applicable laws, Commission requirements, Transmission Provider Open Access Transmission Tariff and these Supplier Terms and Conditions of Service. The Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

Nothing in these Supplier Terms and Conditions of Service is intended to prevent a CRES Provider and a customer from agreeing to reallocate between them any charges that these Supplier Terms and Conditions of Service impose on the CRES Providers, provided that any such agreement shall not change in any way the CRES Provider's obligation to pay such charges to the Company, and that any such agreement shall not confer upon the Company any right to seek recourse directly from the CRES Provider's Customer for any charges owed to the Company by the CRES Providers

Customers of a CRES Providers remain bound by the rules and requirements of the applicable Company Tariff under which they receive service from the Company.

31.9 CRES PROVIDER CREDIT REQUIREMENTS

- a. Credit Application

AEP Ohio will review the credit information supplied in CRES Provider Registration Application for the State of Ohio to be considered for participation in the Company's Choice Program. As part of the CRES Provider Registration Application, the CRES Provider must provide the Company, with its or its proposed guarantor's most recent independently-audited financial statements, or Form 10K (if applicable), for the last three fiscal years, and its or its proposed guarantor's most recent quarterly unaudited financial statements or Form 10-Q (if applicable) and other financial and other pertinent credit information.

- b. Security Requirements.

The amount of the security required must be and remain commensurate with the financial risks placed on the Company by that CRES Provider, including recognition of that CRES Provider's performance. The Company will provide an initial estimate of the CRES Provider's security requirements, and on a forward/ongoing basis, the Company will calculate the amount of the CRES Provider's security requirements and provide notifications, from time to time, as to the amount of security required of the CRES Provider. CRES Provider will meet and satisfy any requests for security required no later than the third business day after the Company's request. Upon request, information regarding the calculation of security requirements will be provided by the Company.

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The Company will apply, on a non-discriminatory and consistent basis, reasonable financial standards to assess and examine a CRES Provider's ability to meet the security requirements. These standards will take into consideration the scope of operations of each CRES Provider, financial and other pertinent credit information and the level of risk to the Company. This determination will be aided by appropriate data concerning the CRES Provider, including load data or reasonable estimates thereof, where applicable.

The Company will review and determine if the CRES Provider has, and maintains, stable, or better, minimum investment grade senior unsecured (un-enhanced) long-term debt ratings from any two of the following three rating agencies; provided, however, that the Company may limit the amount of unsecured credit to be granted to such CRES Provider if the Company reasonably determines that such limitation is necessary to protect the Company from an unacceptable level of risk. If the CRES Provider or its guarantor is rated by only two rating agencies and the ratings are split, the lower rating will be used. If the CRES Provider or its guarantor is rated by three rating agencies and the ratings are split, the lower of the two highest ratings will be used; provided that, in the event that the two highest ratings are common, such common rating will be used.

AGENCY	SENIOR UNSECURED LONG-TERM DEBT RATINGS
Standard & Poor's Rating Services	BBB- or higher
Moody's Investors' Services, Inc.	Baa3 or higher
Fitch Ratings	BBB- or higher

The Company shall make reasonable alternative credit arrangements with a CRES Provider that is unable to meet the minimum investment grade rating requirements set forth above to satisfy the security requirements or with those CRES Providers whose security requirements exceed their allowed unsecured credit limit. The CRES Provider may choose from any of the following credit arrangements, which must be in an acceptable format: (i) a guaranty of payment on behalf of CRES Provider from (a) a related U.S. entity who meets the minimum investment grade rating requirements in the Company's prescribed guaranty format or (b) a related foreign (non-U.S.) entity who meets the minimum investment grade rating requirements and uses the Company's prescribed guaranty format (or a format mutually acceptable to Company and such entity that provides substantially similar credit protections to the credit protections provided to the Company by the Company's prescribed guaranty format for a related U.S. entity) and complies with the Company's requirement for foreign guarantors by meeting the following minimum requirements: (1) such guaranty is a financial guaranty, not a performance guaranty, (2) such guaranty must be an unconditional guaranty of payment of all amounts due from CRES Provider pursuant to Section 31.24, and the Company Tariff and EDU Registration Agreement and all other agreements must be expressly identified in the guaranty, and satisfaction of obligations through performance may not be authorized, (3) such guaranty may be terminated upon not less than sixty (60) days prior written notice to AEP Ohio, which termination shall be effective only upon receipt by the Company of alternative means of security or credit support, as specified in the Tariff, and when such termination is effective, obligations existing prior to the time the expiration or termination is effective, shall remain guaranteed under such guaranty until finally and fully performed; (4) certification from guarantor that form of guaranty has been in general use by the submitting party in its ordinary course of business over the past twelve months, subject to changes needed to conform to the Company's minimum requirements, (5) the guaranty must be a guaranty of payment, and not of collection; (6) assignment of such guaranty shall not be permitted by the guarantor without the prior

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written consent of the Company, (7) an enforceability opinion from the entity's outside counsel from a law firm of national (i.e. United States) standing;

(ii) an irrevocable Letter of Credit (as further defined below);

(iii) a cash deposit from the CRES Provider in U.S. Dollars, provided, further if a third party is providing such cash deposit for and on behalf of the CRES Provider, the Company may accept such deposit from a third party if it otherwise meets AEP Ohio's security requirements: or

(iv) a Surety Bond issued by a financial institution with at least an "A" rating or higher as rated by AM Best and/or an "A" rating or higher from Standards & Poor's, valid for a period of not less than one year and renewable annually; with terms and conditions that require payment within ten (10) days after delivery by the Company of a written demand to Surety for payment, and the terms and conditions of the Surety provides substantially similar credit protections to the credit protections provided to the Company by the other forms of acceptable collateral, including without limitation a waiver of the supplier's right to assert against the Company any defense (legal or equitable), counterclaim, setoff, cross-claim, or any other claim, an express waiver and agreement not to assert any defenses arising out of bankruptcy, insolvency, dissolution or liquidation of the supplier, including, without limitation, any defense relating to the automatic stay.

The amount and type of the security required must be and remain commensurate with the financial risks placed on the Company by that CRES Provider, including recognition of that CRES Provider's performance. "Letter of Credit" means a standby irrevocable letter of credit acceptable to the Company issued by a U.S. bank or financial institution with a minimum "A-" senior unsecured debt rating (or, if unavailable, corporate issuer rating) from S&P or a minimum "A3" senior unsecured debt rating (or, if unavailable, corporate issuer rating) from Moody's, in a format acceptable to and approved by the Company. An acceptable and approved Letter of Credit format is available at the Company's website.

c. Interest on Cash Deposits

The Company will allow simple interest on cash deposits calculated at the Federal Funds Rate over the time period the cash is on deposit. In cases of discontinuance or termination of services, cash deposits will be returned with accrued interest upon payment of all Charges, guarantees and with deduction of unpaid accounts.

d. On-going Security Maintenance

The Company reserves the right to review each CRES Provider's security requirements at any time. The CRES Provider must provide current financial and credit information. In addition, the CRES Provider may request re-evaluation at any time. It is anticipated that demand, unanticipated market movements and economic reasons will result in security requirements nearing or exceeding the prescribed amount of security. It is also noted that additional security may be required due to a degradation of the amount or form of security held, or repayment ability of a CRES Provider. Any subsequent review or re-evaluation of a CRES Provider's creditworthiness may result in the CRES Provider being required to post security not previously requested. The new, additional or change in the security requirement will be necessary to enhance, restore or maintain the Company's protection from financial risks placed on the Company. In the alternative, the Company may limit a CRES

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Provider's level of participation or remove the CRES Provider from further participation in the Company's Choice Program.

- e. Grant of Security Interest in Collateral.

To secure the CRES Provider's obligations under this Tariff and to the extent the CRES Provider delivers collateral to the Company ("Secured Party") in the form of cash or cash equivalent collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of or for the benefit of, such Secured Party, and the CRES Provider agrees to take such action as the Company reasonably requires in order to perfect the Secured Party's first-priority security interest in, and lien on (and rights of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or any time after the occurrence and during the continuation of an Event of Default, the Company may do any one or more of the following: (i) exercise any of the rights and remedies of a Secured Party with respect to all collateral, including any of the rights and remedies under law then in effect; (ii) exercise its rights of setoff against any and all property of the CRES Provider in the possession of the Company or Company's agent; (iii) draw on any outstanding Letter of Credit issued for its benefit; and (iv) liquidate all collateral then held by or for the benefit of the Secured Party free from any claim or right of any nature whatsoever of the CRES Provider. As a Secured Party, the Company shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce the CRES Provider's obligations under the Agreement, with the CRES Provider remaining liable for any amounts owing to the Company after such application.

31.10 CUSTOMER ENROLLMENT PROCESS**a. Pre-Enrollment Customer Information List**

Upon request, the Company will electronically provide to any CRES Provider certified by the Commission the most recent Customer Information List. The Company may request the CRES Provider to pay a one-time fee of \$150.00 per Company rate zone list provided.

The Company will offer the Customer Information List with updates available monthly. Once the list has been updated, a CRES Provider must use the most current Customer Information List to contact customers, but CRES Providers shall not be required to purchase subsequent lists.

The Company will provide customers the option to have all the customer's information listed in the section below removed from the Customer Information List. At the same time, the Company will also provide customers with the option to have all information listed below reinstated on the Customer Information List. Customers will be notified of such options quarterly.

The following information will be provided on the Customer Information List for each customer who has not requested that all information be removed from this list:

Customer name
Service address
Service city
Service state and zip code
Mailing address

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Mailing city
Mailing state and zip code
Rate schedule under which service
is rendered
Rider (if applicable)
Customer load profile reference category
Switched Status
Meter type (if readily available)
Whether the service address is set to
Net Metering status
Mercantile Customer Indicator
Interval meter data indicator (if readily
available)
Budget bill / PIPP indicator
Meter reading cycle
Most recent twelve (12) months of historical consumption data
(actual energy usage and demand, current and future Peak Load
Contribution Network Service Peak Load, if available) (provided
in values of four or more digits)
Total premise loss factor value

The Company will provide the Customer Information List electronically or on a designated website. The information will be prepared and distributed in a uniform and useable format that allows for data sorting. Customers participating in the percentage of income payment plan (PIPP) program will be coordinated exclusively through the PIPP program administered by the Ohio Department of Development.

b. CRES Provider Requests for Customer Information

CRES Providers certified by the Commission may request historical interval meter data through an Electronic Data Interchange transaction ("EDI Transaction") after receiving the appropriate customer authorization. The interval meter data will be transferred in a standardized EDI transaction. The CRES Provider will be responsible for the incremental costs incurred to prepare and send such data.

c. CRES Provider Enrollment Requests

Enrollment of a customer is done through an Electronic Data Interchange enrollment ("EDI Enrollment"), which may be submitted only by a CRES Provider.

EDI Enrollments will be effective at the end of the customer's next regularly scheduled meter reading date provided that the EDI Enrollment is received by the Company at least twelve (12) calendar days before the next meter reading date.

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All EDI Enrollments will be submitted to the Company no more than thirty (30) calendar days prior to the scheduled meter reading date when the CRES Provider desires the switch to occur, unless otherwise agreed upon by the parties. The Company will process all valid EDI Enrollments and send the confirmation notice to the customer within two (2) business days. Simultaneous with the sending of the confirmation notice to the customer, the Company will electronically advise the CRES Provider of acceptance. Notice of rejection of the EDI Enrollment to the CRES Provider shall be sent within one business day, if possible, but in no event later than four (4) calendar days, and include the reasons for the rejection. The customer has seven (7) calendar days from the confirmation notice to cancel the contract without penalty. If the customer cancels the contract, the Company shall send a drop notice to the CRES Provider and the previous CRES Provider will continue to serve the customer under the terms and conditions in effect prior to submission of the new EDI Enrollment.

EDI Enrollments will be processed on a "first in" priority basis based on the received date, and using contract date as the tie-breaker. Any subsequent EDI Enrollments received within the same billing cycle will be rejected and returned to the CRES Provider who submitted the EDI Enrollment.

To receive service from a CRES Provider, a customer must have an active service account with the Company. After the service account is active, a CRES Provider may submit an EDI Enrollment as described herein.

d. Government Aggregation Customer Information List

Upon request, the Company will provide to any governmental aggregator certified by the Commission a Government Aggregation Customer Information List. The Company will provide the Government Aggregation Customer Information List by an electronic medium that the Company deems appropriate. The information will be prepared and distributed in a uniform and useable format that allows for data sorting.

The list will include information for all customers residing within the governmental aggregator's boundaries based upon the Company's records, including an identification of customers who are currently in contract with a CRES provider or in a special contract with the Company. The list will also include those customers that elect to have their information removed from the Pre-Enrollment Customer Information List. The Company cannot guarantee that the list will include all of the customers residing within the aggregator's boundaries, nor can the Company guarantee that all the customers shown on the list reside within the aggregator's boundaries. In addition to all information included on the Pre-Enrollment Customer Information List, the Government Aggregation Customer Information List shall also include the customer's Service Delivery Identifier (SDI).

The Company will notify CRES Providers in advance of any proposed changes to the actual format or file containing its Government Aggregation Customer Information List.

31.11 CONFIDENTIALITY OF INFORMATION

All confidential or proprietary information made available by one party to the other in connection with the registration of a CRES Provider with the Company and/or the subsequent provision and receipt of service under these Supplier Terms and Conditions of Service, including but not limited to load data, and information regarding the business processes of a party and the computer and communication systems owned or leased by a party, shall be used only for purposes of registration with the Company, receiving or providing service

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under these Supplier Terms and Conditions of Service and/or providing Competitive Retail Electric Service to customers in the Company's service territory. Other than disclosures to representatives of the Company or the CRES Provider for the purposes of enabling that party to fulfill its obligations under these Supplier Terms and Conditions of Service or for the CRES Provider to provide Competitive Retail Electric Service to customers in the Company's service territory, a party may not disclose confidential or proprietary information without the prior authorization and/or consent of the other party.

The CRES Provider shall keep all customer-specific information supplied by the Company confidential unless the CRES Provider has the customer's written authorization to do otherwise.

31.12 LOSSES

The Transmission Provider may provide both transmission and distribution losses as required to serve customers at various delivery voltages. Customers served at transmission and subtransmission voltages require no additional losses other than the losses specified in the applicable Open Access Transmission Tariff. Customers served at primary distribution voltage require 2.0% additional average losses of amounts received by the Company for delivery to the customer. Customers served at secondary distribution voltage require 5.4% additional average losses of amounts received by the Company for delivery to the customer.

31.13 METER SERVICE PROVIDERS (MSPs)

Meters shall be provided and maintained by the Company unless the customer selects a MSP to provide metering services. Unless otherwise specified, such meters shall be and remain the property of the Company. MSPs desiring to provide service to customers in the Company's Service Territory must submit a written application to the Company in order to provide metering services for ownership, installation, inspection and auditing. Such application shall include the following:

- a. A \$500.00 initial registration fee payable to the Company and a \$100.00 annual registration fee thereafter.
- b. Proof of creditworthiness to the Company, including an appropriate financial instrument to be held by the Company and used in the event of damages as a result of the MSP's actions.
- c. The name of the MSP, business and mailing addresses, and the names, telephone numbers and e-mail addresses of appropriate contact persons, including the 24-hour emergency contact telephone number and emergency contact person(s).
- d. Details of the MSP's dispute resolution process for customer complaints.
- e. A signed statement by the officer(s) of the MSP committing it to adhere to the Company's open access distribution schedules, Terms and Conditions of Open Access Distribution Service, Supplier Terms and Conditions of Service and any additional requirements stated in any agreement between the MSP and the Company regarding services provided by either party.

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- f. Proof of an electrical subcontractor's license issued by the Ohio Department of Commerce, including the name of the person or entity to which the license has been issued, license number and expiration date. Certification may require an employee to be a licensed electrician in the service area where work is performed.
- g. Description of the (a) applicant's electric meter installation, maintenance, repair and removal experience, (b) applicant's training and experience regarding electrical safety and (c) educational and training requirements in electrical work and safety that the MSP will require from its employees before they are permitted to install, maintain, repair or remove electric meters or metering devices.

The MSP must also agree to the following standards for metering services:

- a. The Company must approve the type of any and all metering equipment to be installed. Such metering and practices must conform with the Company's metering service guides and standards and must comply with the Meter Testing provision of the Company's Terms and Conditions of Open Access Distribution Service. A written agreement between the Company and the MSP shall specify those categories or types of meters for which the MSP is certified to install/remove or test/maintain.
- b. The MSP shall allow the Company to disconnect the MSP's meter, or promptly perform a disconnection as notified by the Company where a customer's service is subject to disconnection due to non-payment of distribution charges. The Company shall be permitted to audit the meter accuracy of MSP meters and to disconnect or remove a MSP's meter when necessary to maintain the safe and reliable delivery of electrical service. The MSP is responsible to acquire the right of ingress and egress from the customer to perform its functions. When necessary, the MSP must also seek written approval and secure from the customer any keys necessary to access locked premises.
- c. The MSP is responsible for detecting and immediately notifying the Company of hazardous conditions noted at the customer's electrical service and meter installation.
- d. The MSP is responsible for recording and notifying the Company of conditions detected on the customer's premises which present potential for injury.
- e. The MSP shall be responsible for conforming to Company standards for sealing and resealing meters as well as properly resetting and sealing demand measurement devices.

31.14 METER DATA MANAGEMENT AGENTS (MDMAs)

MDMAs desiring to provide service to customers in the Company's Service Territory must submit a written application to the Company in order to provide any meter reading or data management services. Such application shall include the following:

- a. A \$100.00 annual registration fee payable to the Company.

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- b. Proof of creditworthiness to the Company, including an appropriate financial instrument to be held by the Company and used in the event of damages as a result of the MDMA's actions.
- c. The name of the MDMA, business and mailing addresses, and the names, telephone numbers and e-mail addresses of appropriate contact persons, including the 24-hour emergency contact telephone number and emergency contact person(s).
- d. Details of the MDMA's dispute resolution process for customer complaints.
- e. A signed statement by the officer(s) of the MDMA committing it to adhere to the Company's Open Access Distribution Schedules, Terms and Conditions of Open Access Distribution Service, Supplier Terms and Conditions of Service and any additional requirements stated in any agreement between the MDMA and the Company regarding services provided by either party.
- f. Description of the (a) applicant's experience in meter reading, data validation, editing and estimation, and other data management activities and (b) educational and training requirements that the MDMA will require from its employees before they are permitted to perform such meter reading, data validation, editing and estimating and other data management activities.

The MDMA must also agree to the following standards for meter data management services:

- a. All billing meters shall be read each month, unless otherwise mutually agreed to by the MDMA and the Company.
- b. Meter data shall be read, validated, edited and transferred pursuant to Commission and Company approved standards. The Company and the MDMA must agree to common data formats for the exchange of validated data.
- c. The Company shall have reasonable access to the MDMA data server.
- d. The MDMA shall provide to the appropriate entities reasonable and timely access to meter data as required for billing, settlement, scheduling, forecasting and other functions.
- e. The MDMA shall retain the most recent twelve (12) months of data for any customer who elects the MDMA to perform meter reading and data management services. Such data must be retained for a minimum period of 36 months and must be released upon request to either the customer or an entity authorized by the customer.
- f. Within five (5) business days after the installation of a meter, the MDMA must confirm with the Company that the meter and meter reading system are working properly and that the billing data is valid.
- g. No more than 10% of the individual meters read by the MDMA shall contain estimated data, with no single account being estimated more than two consecutive months. Estimated data must be based on historical data and load profile data as provided by the Company.

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- h. The MDMA shall comply with the Company's time requirements for the posting of validated meter reading data on the MDMA server.
- i. The MDMA is responsible for acquiring the right of ingress and egress from the customer to perform its functions. When necessary, the MDMA must also seek written approval and secure from the customer any keys necessary to access locked premises.
- j. The MDMA is responsible for identifying suspected cases of the unauthorized use of energy and shall report such concerns to the customer's CRES Provider, Transmission Provider and the Company. The CRES Provider shall resolve such concerns and pursue the appropriate legal response and all necessary parties shall support this action. The customer's supplier of meter services (MSP or the Company) shall make the necessary meter corrections and/or repairs, and then notify the MDMA who shall correct the previous meter usage data and provide to the appropriate entities such data as required for billing, settlement, scheduling, forecasting and other functions. Any billing corrections shall be consistent with the provisions of the Company's Terms and Conditions of Service for Open Access Distribution Service.
- k. The MDMA is responsible for detecting and immediately notifying the Company of hazardous conditions noted at the customer's electrical service and meter installation.
- l. The MDMA is responsible for recording and notifying the Company of conditions detected on the customer's premises which present potential for injury.
- m. The MDMA shall be responsible for conforming to Company standards for sealing and resealing meters as well as properly resetting and sealing demand measurement devices.

If no entity satisfies the above criteria, the Company shall act as the MDMA. As long as the Company is acting as the MDMA, the Company shall read the meters of the CRES Provider's customers in accordance with the Company's meter reading cycles, which the Company intends to have posted to its website at <http://www.aepohio.com>. Within three (3) business days of the meter read date, the Company shall electronically transmit the usage information for the CRES Provider's customers to the CRES Provider.

The Company may conduct periodic workshops with CRES Providers to solicit input regarding additional data elements that may be appropriate for inclusion in the electronic system used to transmit usage information.

31.15 CONSOLIDATED BILLING BY A BILLING AGENT (BA)

BAs desiring to provide service to customers in the Company's Service Territory must submit a written application to the Company in order to provide consolidated billing related services to customers. Such application shall include the following:

- a. A \$100.00 annual registration fee payable to the Company.
- b. Proof of creditworthiness to the Company, including an appropriate financial instrument to be held by the Company and used in the event of damages as a result of the BA's actions.

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- c. The name of the BA, business and mailing addresses, and the names, telephone numbers and e-mail addresses of appropriate contact persons, including the 24-hour emergency contact telephone number and emergency contact person(s).
- d. Details of the BA's dispute resolution process for customer complaints.
- e. A signed statement by the officer(s) of the BA committing it to adhere to the open access distribution schedules, Terms and Conditions of Open Access Distribution Service, Supplier Terms and Conditions of Service and any additional requirements stated in any agreement between the BA and the Company regarding services provided by either party.
- f. Description of the (a) applicant's training and experience in billing collections, payment services and billing inquiries and (b) educational and training requirements for BA employees regarding such services.
- g. The Company and the BA must agree to common data formats for the exchange of billing data.

A written agreement between the Company and the BA shall specify the bill format regarding transmission and distribution related services. Regardless of such format, each customer's bill rendered by the BA shall show charges for generation, transmission, distribution and other services covered under the particular bill and also indicate the provider of each service.

The BA must agree to be subject to the same provisions as the Company, including requirements as specified in the Company's Open Access Distribution Schedules, Terms and Conditions of Open Access Distribution, Ohio Revised Code, and all other legislative and regulatory mandates regarding billing. The BA is responsible for electronically transmitting funds received from the customer for charges from Company for distribution service, together with the associated customer account data, on the same day as receiving said funds. The BA assumes responsibility for outstanding distribution service charges from the Company and is responsible for providing payment in full of all charges for distribution service from the Company by the due date in accordance with terms of the applicable open access distribution schedule. Failure of the BA to transmit such funds by the due date will result in late charges applied to the affected customer's account according to the provisions of the customer's open access distribution schedule. If the BA fails to provide payment to the Company by the due date of the next bill, the Company will thereafter directly bill the customer for distribution service from the Company. In addition, the financial instrument will be forfeited to the extent necessary to cover bills due and payable to the Company.

31.16 CONSOLIDATED BILLING BY THE COMPANY

Upon request, pursuant to Section 31.22 of these Supplier Term and Conditions of Service, the Company will offer rate-ready or bill-ready Company-issued consolidated bills to customers receiving service from a CRES Provider upon designation of the rate-ready or bill-ready option, as applicable, in the Electric Distribution Utility/ Competitive Retail Electric Service Provide Agreement. Company-issued consolidated billing will include budget billing as an option. The CRES Provider must electronically provide all information in a bill-ready format.

31.17 METERING AND LOAD PROFILING

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All customers with a maximum monthly billing demand of 200 kW or greater for the most recent twelve (12) months shall install a dedicated phone line, or other mechanism deemed to be sufficient by the Company to enable interval metering and be interval metered. The customer or the customer's CRES Provider may request an interval meter for customers with maximum monthly billing demands less than 200 kW.

The cost and repair of any interval metering facilities installed by the Company to comply with this requirement or as a result of such request shall be paid by the customer. The customer shall make a one-time payment for the metering facilities at the time of installation of the required facilities, or at the customer's option, up to 24 consecutive equal monthly payments reflecting an annual interest charge as determined by the Company, but not to exceed the cost of the Company's most recent issue of long-term debt. If the customer elects the installment payment option, the Company shall require an initial payment equal to 25% of the total cost of the metering facilities. Any necessary replacement of the meter where repair is not possible will be performed at cost, based upon premise installation and load requirements.

In addition, the customer shall pay a net charge to cover the incremental cost of operation and maintenance and meter data management associated with such interval metering as follows: Charges are for service performed on a Company installed standard interval meter.

Service Performed During Normal Business Hours	Charge (\$)
Connect phone line to meter at a time other than the initial interval meter installation	57.00
Perform manual meter reading	43.00
Check phone line and perform manual meter reading due to communication loss	47.00
Replace surge protector	119.00
Replace modem board	210.00

The customer or the customer's CRES Provider may select a meter from the Company's approved equipment list. The customer or the customer's CRES Provider may communicate with the meter for the purpose of obtaining usage data, subject to the Company's communication protocol. The customer is responsible for providing a dedicated analog telephone line phone line, or other mechanism deemed to be sufficient by the Company, for purposes of reading the meter.

If an interval meter is required, the Customer must approve a work order for an interval meter installation before the Company will accept an enrollment EDI transaction. For Customers that will have an interval meter installed for the requested service, service may begin, assuming the Company has an approved work order for the interval meter installation. A Company load profile will be used for settlement. Consumption meter reads will continue to be used for billing. This will be the approach during the period between the Customer's request for an interval meter and the Company's installation of such a meter.

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All load profiling shall be performed by the Company. Sample data and customer specific interval metering, when available, will be used in the development of the total load profile for which a CRES Provider is responsible for providing generation and possibly arranging transmission services. Such data shall be provided to the BA or other entities as required for monthly billing.

The Company, acting as a designated agent for the CRES Provider, will supply hourly load data to Transmission Provider, for the CRES Provider. The Company will provide this data in accordance with the Transmission Provider Open Access Transmission Tariff, including estimates when necessary. The Company will be held harmless for any actions taken while performing agent responsibilities unless demonstrated to have negligently misread the meter data or negligently provided inaccurate data. Meter data collected by the Company shall be used to calculate the quantity of energy actually consumed by a CRES Provider's end-use customers for a particular period. Such collection shall occur at the time of an end-use customer's monthly meter read. Thus, in order to measure the energy consumed by all end-use customers on a particular day, at least one month is required for data collection. It is the responsibility of the CRES Provider to understand this process.

Data from monthly-metered end-use customers is collected in subsets corresponding to end-use customer billing cycles, which close on different days of the month. The Company shall convert such meter data, including estimates, for end-use customers to the equivalent hourly usage. Metered usage will be applied to customer segment load curves to derive an estimate for the hour-by-hour usage.

Data from interval-metered end-use customers will also be collected at least monthly by the Company on a billing cycle basis. Nothing in this section shall prohibit the use of interval usage for settlement purposes if agreed to in the future.

31.18 DEPOSITS

Security for the payment of bills for service from a CRES Provider will be governed, as specified in Chapter 4901:1-21-07 of the Ohio Administrative Code, which is herein incorporated by reference as it is from time to time amended.

31.19 LIABILITY AND INDEMNIFICATION**a. General Limitation on Liability**

The Company shall have no duty or liability with respect to Competitive Retail Electric Service before it is delivered by a CRES Provider to an interconnection point with the AEP Rate Zone. After its receipt of Competitive Retail Electric Service at the point of delivery, the Company shall have the same duty and liability for transmission and distribution service to customers receiving Competitive Retail Electric Service as to those customers receiving electric energy and capacity from the Company. The Company shall have no liability to a CRES Provider for any consequential, indirect, incidental, special, ancillary, punitive, exemplary, or other damages, including lost profits, lost revenues, or other monetary losses arising out of any errors or omissions.

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b. Limitation on Liability for Service Interruptions and Variations

The company does not guarantee continuous regular and uninterrupted supply of service. The Company may, without liability, interrupt or limit the supply of service for the purpose of making repairs, changes, or improvements in any part of its system for the general good of the service or the safety of the public or for the purpose of preventing or limiting any actual or threatened instability or disturbance of the system. The Company is also not liable for any damages due to accident, strike, storm, riot, fire, flood, legal process, state or municipal interference, or any other cause beyond the Company's control.

c. Additional Limitations On Liability In Connection With Direct Access.

Except as provided in the Company's Supplier Terms and Conditions of Service, the Company shall have no duty or liability to a CRES Provider providing Competitive Retail Electric Services arising out of or related to a contract or other relationship between a CRES Provider and a customer of the CRES Provider. The Company shall implement customer selection of a CRES Provider consistent with applicable rules of the Commission and shall have no liability to a CRES Provider providing Competitive Retail Electric Services arising out of or related to switching CRES Provider, unless and to the extent that the Company is negligent in switching or failing to switch a customer.

d. Commission Approval of Limitations on Liability.

The Commission approval of the above language in respect to the limitation of liability arising from the Company's negligence does not constitute a determination that such limitation language should be upheld in a court of law. Approval by the Commission merely recognizes that since it is a court's responsibility to adjudicate negligence and consequential damage claims, it should also be the court's responsibility to determine the validity of the exculpatory clause.

e. Indemnification.

To the fullest extent permitted by law, the CRES Provider shall defend, indemnify and hold harmless the Company from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including the Company's employees or any third parties, or any other liability incurred by the Company, including reasonable attorneys' fees, relating to performance under these Supplier Terms and Conditions of Service, except to the extent that a court of competent jurisdiction determines that the losses, expenses or damage were caused wholly or in part by any grossly negligent or willful act of omission of the Company.

The CRES Provider's obligation to defend, indemnify and hold harmless under this Article shall survive termination of the Electric Distribution Utility/Competitive Retail Electric Service Provider Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the CRES Provider under any statutory scheme, including any workers compensation acts, disability benefit acts or other employee benefit acts.

31.20 COMPETITIVE SERVICE PROVIDER'S LIABILITY

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In the event of loss or injury to the Company's property through misuse by, or negligence of, the CRES Provider, MSP, MDMA or BA, or the CSP's agents and employees, the CSP shall be obligated and shall pay to the Company the full cost of repairing or replacing such property.

Unless authorized by the Company to do so, a CSP and its agents and employees shall not tamper with, interfere with or break the seals of meters or other equipment of the Company installed on the customer's premises, and, under any circumstances, the CSP assumes all liability for the consequences thereof. The CSP agrees that no one, except agents and employees of the Company, shall be allowed to make any internal or external adjustments to any meter or other piece of apparatus which belongs to the Company.

31.21 METER ACCURACY AND TESTS

A MSP's meter performance levels, testing methods and test schedules must comply with all standards specified by the Company. Such details shall be specified in the agreement between the Company and the MSP.

When metering is provided by an MSP, the Company may, at its discretion, direct meter-related inquiries from the customer to the MSP for response, or the Company may send notification to the MSP to perform a test of the accuracy of its meter. At the MSP's request, or should the MSP fail to perform a customer-requested test in a timely manner, the Company, at its discretion, may agree to test the accuracy of a meter supplied by the MSP. Regardless of the test results, the MSP shall pay to the Company a flat amount equal to the Company's current average cost of performing such meter tests. Such test will be conducted using a properly calibrated meter standard.

The Company, at its discretion, may perform a test of the accuracy of a meter supplied by the MSP at any time. If the meter fails to perform at the accuracy standards set forth in the Company's Terms and Conditions of Open Access Distribution Service, the MSP will be responsible to remedy the accuracy of the meter, and to pay to the Company a flat amount equal to the Company's current average cost of performing such meter tests.

31.22 BILLING SERVICES

a. Billing Options

A CRES Provider must select a billing option for each of its customer accounts. The billing options are limited to the following: (1) separate billing by the Company and the CRES Provider, (2) Company Consolidated Rate-Ready Billing, or (3) Company Consolidated Bill-Ready Billing. Nothing in these Supplier Terms and Conditions of Service shall require the Company to bill customers manually. Thus, if the CRES Provider is offering price plans that are not considered by the Company as standard rates, the Company will provide the CRES Provider with sufficient meter data on a timely basis so that the CRES Provider can bill the customer directly under the separate billing method or can opt for Company Consolidated Bill-Ready Billing or Company Consolidated Rate-Ready billing. The billing option must be selected by the time the CRES Provider completes EDI testing. If the Company inaccurately applies the usage information to the rates approved by the CRES Provider for Company Consolidated Rate-Ready Billing, the CRES Provider shall notify the Company immediately.

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and the Company shall make a correction in a succeeding billing period. The CRES Provider is responsible for receiving and resolving all customer rate disputes involving charges for services received from the CRES Provider. The Company may provide input to customer rate dispute processes to the extent necessary. From and after the date of termination of Company Consolidated Rate-Ready Billing or Company Consolidated Bill-Ready Billing, the Company shall have no further obligation beyond presenting the CRES Provider's charges for services rendered and to collect and remit payments to the CRES Providers on charges presented to the customer prior to such date of termination.

b. Billing Cycle

Current Company practice is to render bills regularly at monthly intervals, but bills may be rendered more or less frequently at the Company's option. Rate values stated for direct application to regular monthly billing periods will be adjusted when the time elapsed between billings is substantially greater or less than a month.

c. Generation Resource Mix.

CRES Providers are responsible for providing a Generation Resource Mix statement to their own customers in accordance with Commission requirements.

d. Setting Up CRES Provider Rates.

CRES Providers using the Consolidated and Rate-Ready Billing option must furnish specific rate information to the Company in a format acceptable for the Company's billing system. The CRES Providers using the Consolidated and Rate-Ready Billing option must furnish specific rate information to the Company in a format acceptable for the Company's billing system.

1. The Company will provide all Commission certified and Company enrolled CRES Providers with system requirements and record layouts needed to perform this function.
2. The CRES Provider will be responsible for creating and verifying the rate information that the Company will use to calculate and bill the CRES Provider's charges.
3. The approved rate information must be in production within the Company's billing system before any customers may be enrolled under that rate. In production means installed in and approved by the Company's billing system and the CRES Provider. New rates must be entered at least six days prior to the effective date, and the new rate must be in effect for the entire bill period.

e. Timetable for Setting up CRES Provider Rates.

1. The Company defines standard rates as falling into one of the following rate types:
 - a) a percentage discount from Price To Compare (PTC)
 - b) a fixed dollar amount
 - c) a monthly customer charge

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- d) a fixed rate per KWH
 - e) a fixed rate per KW
 - f) a fixed rate per KWH per time of use (TOU) period
 - g) a configurable stepped rate with KWH usage ranges
 - h) a seasonal rate.
2. The Company will have five calendar days to set up and system test any standard rates other than those under the Percentage-off Rate option and fifteen days to set up standard rates under the Percentage-off Rate option.
 3. Within three (3) business days after the Company receives the approval of rates from the CRES Provider, the rates will be placed in production in the Company's billing system and will be available for billing.
 4. When the rates are in the Company's billing system and are available for billing, the CRES Provider may register on the EDI customer accounts it wants to be billed on the new rate.
 5. All customer enrollments received before the rate is in production will be rejected.

f. Electronic Transmission of Customer Billing Data.

1. If the CRES Provider chooses to have the Company bill for the customer's electric commodity usage under the Company Consolidated Rate-Ready Billing option, the Company will provide usage and charges in standard electronic format.
2. If the CRES Provider chooses the Company Consolidated Bill-Ready Billing option, the Company will provide usage in a standard electronic format and the CRES Provider will provide the Company with the Certified Supplier's charges in a standard electronic format.

g. Company Consolidated and Rate-Ready Billing.

The following business rules will apply to the Company's Consolidated Rate-Ready Billing Options:

1. The Company shall calculate and present charges on the next bill generated for the customer for Competitive Retail Electric Services. The CRES Provider assumes the responsibility for the rate supplied for each customer as validated from the Rate Management Portal.
2. Within three (3) business days of the meter read date, the Company shall electronically transmit the usage and billing information for the CRES Provider's customers to the CRES Provider.

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3. The Company shall present charges on the next bill generated for the customer unless one or more of the following conditions apply: 1) the CRES Provider and the customer was terminated over 60 days before; 2) the Company no longer presents a bill to the customer because of a change in CRES Provider and billing option. If none of these exemptions apply, the Company will present the CRES Provider's charges on the next two consecutive scheduled billings after the relationship between the CRES Provider and the customer terminates.
 4. In the event any CRES Provider's charges are not included on a Company Consolidated Rate-Ready Billing for any reason, the only obligation the Company shall have is to include those charges on the next monthly bill unless one or more of the exempting conditions exists as described in the above paragraph. The Company shall not cancel/rebill any billing in which the CRES Provider submitted an incorrect rate code or validated an incorrect rate on the Business Partner Portal.
 5. The Company will charge hourly for administrative and technical support to institute program modifications associated with the implementation of consolidated billing on non-standard rates requested by the CRES Provider and reviewed and approved by the Company. A high level estimate of the work shall be provided and agreed upon in advance. The fixed rate for program modifications necessitated by a request for Consolidated and Rate-Ready Billing shall be \$95 per hour.
 6. Customer payments for CRES Provider charges will be remitted by the Company to the appropriate CRES Provider, subject to the payment provisions in Section 31.23 of these Supplier Terms and Conditions of Service.
 7. The Company shall reimburse the CRES Provider for all charges collected on behalf of the CRES Provider within three (3) business days following receipt of the customer's payment, when possible, but at least every two weeks. The Company will continue to bill for previous balances due the CRES Provider on the bill as long as the relationship between the CRES Provider and the customer exists, and for the two scheduled billing periods after the relationship terminates. If no payments are received from the customer after the Company has presented charges for these two scheduled billing periods, all unpaid balances, regardless of age, due the CRES Provider, will be electronically transmitted by the Company via an EDI 248 write off transaction to the CRES Provider. No payments will be forwarded to the CRES Provider after the acknowledgement of the receipt of such a transaction.
- h. Company Consolidated and Bill-Ready Billing.

The following business rules will apply to the Company's Consolidated and Bill-Ready Billing Option:

1. Within three (3) business days of receiving usage information for an account in a standard electronic format from the Company, the CRES Provider will provide the Company, in bill-ready format, the CRES Provider's charges for the account in a

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standard electronic format for presentation on the Company's current invoice to the customer.

2. The Company shall present charges on the next bill generated for the customer unless one or more of the following conditions apply: (1) the CRES Provider and the customer was terminated over 60 days before; (2) the Company no longer presents a bill to the customer because of a change in CRES Provider and billing option. If none of these exemptions apply, the Company will present the CRES Provider's charges on the next two consecutive scheduled billings after the relationship between the CRES Provider and the customer terminates.
3. The charges received from the CRES Provider by the Company in standard electronic format for each account will contain no more than twenty charge amounts with twenty associated charge descriptions.
4. Charge descriptions will be no longer than eighty characters each (including punctuation and spaces), and charge amounts will not exceed twelve characters each (including spaces, dollar sign, decimal, and, if applicable, negative sign).
5. If a CRES Provider submits a charge description(s) longer than fifty characters, the Company will wrap the charge description(s) to the next character line on its invoice. The corresponding charge amounts will appear in a column to the right of where each charge description ends.
6. If wrapping causes charge descriptions to exceed available lines, each charge description will be truncated and will be printed on the Company's current invoice with the corresponding charge amount appearing in a column to the right of each charge description.
7. If a CRES Provider submits more than twenty charge amounts for an account, the Company will reject the entire submission for the account via a standard electronic format.
8. The Company will allow up to eight lines on its invoice to display the details of the CRES Provider's charges as follows:
 - a. The Company will display the CRES Provider's name and phone number.
 - b. The charge descriptions and charge amounts submitted by the CRES Provider will be displayed.
 - c. The Company will sum the charge amounts submitted by the CRES Provider and display the total on the line following the last charge description submitted by the CRES Provider.
 - d. In situations where the CRES Provider receives revised usage information for an account from the Company in a standard electronic format, the Company will provide an additional line on its invoice for the total amount of each month of

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cancelled charges it receives from the CRES Provider in a standard electronic format. The Company will display the dollar amount of the cancelled charges, provided that the twelve character charge amount limit is not exceeded, on an additional line for each month of cancelled charges. The CRES Provider's corrected charges, submitted to the Company in a standard electronic format, will be displayed on the Company's invoice as described in parts i) through iv) above for each month of corrected charges. CRES Providers will not include cancelled charges within the same standard electronic transaction where corrected charges are submitted to the Company.

9. Customer payments for CRES Provider charges will be remitted by the Company to the appropriate CRES Provider, subject to the payment provisions in Section 31.23 of these Supplier Terms and Conditions of Service. The Company will continue to bill for previous balances due the CRES Provider on the bill as long as the relationship between the CRES Provider and the customer exists, and for the two scheduled billing periods after the relationship terminates. If no payments are received from the customer after the Company has presented charges for these two scheduled billing periods, all unpaid balances, regardless of age, due the CRES Provider, will be electronically transmitted by the Company via an EDI 248 write off transaction to the CRES Provider. No payments will be forwarded to the CRES Provider after the acknowledgement of the receipt of such transaction

10. Within two (2) business days of any date on which the CRES Provider electronically transmits bill-ready charges to the Company, the Company shall transmit to the CRES Provider, via an EDI transaction 824, notice of rejected charges showing, by SDI, those CRES Provider charges that could not be posted to the specific customer's SDI for bill presentment and explaining why those charges could not be so posted by the Company. The CRES Provider shall correct or modify the charges and resubmit them to the Company and such charges will appear on the next Company consolidated bill presented to the customer. In the event any CRES Provider's charges are not included on a Company consolidated billing, for any reason, the only obligation the Company shall have is to include those charges on the next monthly bill unless one or more of the exempting conditions exist as described paragraph 2 of this subsection.

- i. Special Messages.

Rule 4901:1-24-11 of the Ohio Administrative Code mandates that a CRES Provider must provide notice of abandonment on each billing statement rendered to its end-use customers beginning at least ninety days prior to the effective date of the abandonment and continue to provide notice on all subsequent billing statements until the service is abandoned. Where the Company is performing billing services for a CRES Provider, the Company must provide this notice on the billing statement. The Company is not offering bill message services for CRES Provider in any other instance.

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The Company is not required to send bill inserts or add special attachments to the bill format for CRES Providers to communicate to customers. Any other special messages either required by the Commission or elected are the responsibility of the CRES Provider.

j. Financial Obligation – Dispute Resolution.

If the CRES Provider disputes the calculation of the amount due, as calculated by the Company, the CRES Provider shall notify the Company not later than the close of business on the business day following the due date. The parties will consult each other in good faith in an attempt to resolve the dispute. If the parties fail to resolve the dispute by the close of business on the business day following the notification of the dispute by the CRES Provider, the CRES Provider shall comply with the Company's request for payment. The CRES Provider may appeal the Company's determination of credit requirements to the Commission or seek Commission Staff mediation as to any dispute.

If it is determined that the payment shall be less than the amount requested by the Company, the Company shall refund the excess payment plus interest calculated at the lower of the average of the Federal Reserve Lending Rate over the time period the cash is on deposit or 4.5% annually to the CRES Provider by the close of business on the business day following receipt of the Commission's or Commission Staff's determination.

k. Billing Corrections

Any correction of bills due to a meter registration error must be coordinated with the other entities utilizing the billing data which is in error. Any entity which detects an error in billing data shall promptly notify the MDMA or the Company if it is performing the function of the MDMA. The MDMA shall then correct any necessary data and provide to the appropriate entities such data as required for billing, settlement, scheduling, forecasting and other functions. Any billing corrections under this paragraph shall be consistent with the provisions of the Company's Terms and Conditions of Open Access Distribution Service.

l. CRES Provider Billing Investigations

Billing investigations shall be limited to the most recent thirty-six (36) months.

m. Customer Load Reports

Requests from the CRES Provider to the Company for customer load data will be submitted to the Company and provided back to the CRES Provider using standard electronic format at no charge. Requests for manually prepared interval load data reports will be provided at a charge of \$50 to the CRES Provider.

31.23 CUSTOMER PAYMENT PROCESSING AND COLLECTIONS FOR CONSOLIDATED BILLING
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Where the Company acts as the billing agent for the CRES Provider, the Company shall reimburse the CRES Provider for all charges collected on behalf of the CRES Provider within three (3) business days following receipt of the customer's payment, when possible, but at least every two (2) weeks. The Company will continue to bill for previous balances due the CRES Provider on the bill as long as the relationship between the CRES Provider and the customer exists, and for the two (2) scheduled billing periods after the relationship terminates. If no payments are received from the customer after the Company has presented charges for these two (2) scheduled billing periods, all unpaid balances, regardless of age, due the CRES Provider, will be electronically transmitted by the Company via an EDI write off transaction to the CRES Provider. No CRES Provider charges will be presented to the customer and no payment will be forwarded to the CRES Provider after the acknowledgement of the receipt of this transaction.

If the customer's CRES Provider defaults, the Company reserves the right to retain payments collected from the customer and to apply such payments to the Company's charges.

Partial payment from a customer shall be applied to the various portions of the customer's total bill in the following order: (a) past due CRES Provider payment arrangement charges (CPA); (b) past due Company Extended Payment Arrangements (EPA) charges and deposit payment agreement (DPA) charges; (c) past due CRES Provider charges; (d) past due Company charges; (e) current Company charges; (f) current CRES provider charges; and (g) other past due and current non-regulated charges.

31.24 CRES PROVIDER BILLING TERMS AND CONDITIONS

Current Company practice is to render bills to the CRES Provider regularly at monthly intervals, but bills may be rendered more or less frequently at the Company's option. Rate values stated for direct application to regular monthly billing periods will be adjusted when the time elapsed between billings is substantially greater or less than a month.

A CRES Provider shall make payment for charges incurred on or before the due date shown on the bill. The due date shall be determined by the Company and shall not be less than three (3) business days from the date of transmittal of the bill.

31.25 DEFAULT SUSPENSION AND TERMINATION OF A CRES PROVIDER

a. Default.

A CRES Provider is in default of its obligations under the Company's Customer Choice Program if any one or more of the following occurs:

1. The CRES Provider fails to perform any material obligation under these Supplier Terms and Conditions of Service;
2. The CRES Provider fails to fully pay an invoice from the Company within three (3) business days following the due date of the invoice.

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3. The CRES Provider's credit exposure exceeds the unsecured credit limit or the Company's current collateral enhancement requirement by 5% or more and the CRES Provider has failed to comply with the Company's request for adequate security or adequate assurance of payment within three (3) business days of the Company's request.
 4. The Commission has decertified the CRES Provider or otherwise declared it ineligible to participate in the Ohio Customer Choice Program or the Company's Customer Choice Program.
 5. The CRES Provider's action or inaction has or will jeopardize the operational integrity, safety, or reliability of the Company's transmission or distribution system.
 6. The CRES Provider or the performing services on behalf of the CRES Provider, through actions or inactions, becomes in default of any agreement with or requirement of PJM.
 7. The CRES Provider misuses the Company Consolidated Bill-Ready Billing option by incorrectly using the name of the Company or the name of one of the Company's affiliates in a charge description or otherwise using this billing option in a misleading or defamatory manner.
 8. The CRES Provider voluntarily withdraws from the Company's Customer Choice Program without providing at least ninety calendar days' notice to the Company.
 9. The CRES Provider files a voluntary petition in bankruptcy; has an involuntary petition in bankruptcy filed against it; is insolvent; has a receiver, liquidator or trustee appointed to take charge of its affairs; has liabilities that exceed its assets; or is otherwise unable to pay its debts as they become due.
- b. Notice of Suspension or Termination.
- Notwithstanding any other provision of these Supplier terms and conditions of Service or, the Electric Distribution Utility/Competitive Retail Electric Service Provider Agreement, in the event of default, the Company shall serve written a notice of such default providing reasonable detail and a proposed remedy on the CRES Provider with a copy contemporaneously provided to the Commission. On, or after, the date the default notice has been served, the Company may file with the Commission a written request for authorization to terminate or suspend service to the CRES Provider. Except for default due to failure by the CRES Provider to deliver Competitive Retail Electric Service,, if the Commission does not act within ten (10) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the eleventh business day after receipt of the request by the Commission. If the default is due to failure by the CRES provider to deliver Competitive Retail electric Service and the Commission does not act within five (5) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the sixth business day after receipt of the request by the Commission. Terminations or suspensions shall require authorization from the Commission.

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c. Notices.

The Company shall send notices pursuant to this section by e-mail, fax, overnight mail, or hand delivery to the Commission and Staff at the Commission's offices. The Company shall notify all Commissioners, the Chief of Staff, the Director of the Consumer Services Department, the Director of the Utilities Department, the Director of the Legal Department, and the Chief of the Attorney General's Public Utilities Section. The Company shall send the notice to the address and fax number provided by the CRES Provider in its service agreement with the Company.

d. Effect of Suspension

In the event of suspension, the CRES Provider shall not be permitted to enroll any new End-use customers in the Company's Customer Choice Program. During the period of suspension, the CRES Provider shall continue to serve its existing end-use customers.

e. Effect of Termination on CRES Provider's End-use Customers

In the event of termination, the CRES Provider's end-use customers shall be returned to the Company's Standard Offer Rate effective on each end-use customer's next Meter Read Date after the date of termination.

f. Effect of Termination on CRES Provider

The CRES Provider shall not be permitted to enroll any new end-use customers in the Company's Customer Choice Program unless it re-registers in the Company's Customer Choice Program, pursuant to the requirements of Section 31.8 of these Supplier Terms and Conditions of Service.

31.26 VOLUNTARY WITHDRAWAL BY A CRES PROVIDER

A CRES Provider that withdraws from Competitive Retail Electric Service and fails to provide at least ninety (90) days electronic notice of said withdrawal shall reimburse the Company for any of the following costs associated with the withdrawal:

- a. mailings by the Company to the CRES Provider's customers to inform them of the withdrawal and their options;
- b. non-standard/manual bill calculation and production performed by the Company;
- c. CRES Provider data transfer responsibilities that must be performed by the Company;
- d. charges, costs, or penalties imposed on the Company by other parties resulting from CRES Provider's non-performance; and
- e. Any and all other out-of-pocket expenses incurred by the Company as a result of the withdrawal.

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31.27 DISPUTE RESOLUTION

Alternative dispute resolution shall be offered to both CRES Providers and the Company as a means to address disputes and differences between CRES Providers and the Company. Alternative Dispute Resolution shall be conducted in accordance with the provisions of Chapter 4901:1-26 of the Ohio Administrative Code. To the extent the dispute involves terms and conditions under the Transmission Provider Open Access Transmission Tariff, dispute resolution procedures provided in the Transmission Provider Open Access Transmission Tariff shall apply.

31.28 CODE OF CONDUCT

1. The Company shall not release any proprietary customer information (e.g., individual customer load profiles or billing histories) to an affiliate, or otherwise, without the prior authorization of the customer, except as required by a regulatory agency or court of law.
2. The Company shall make customer lists, which include name, address and telephone number, available on a nondiscriminatory basis to all nonaffiliated and affiliated certified retail electric competitors transacting business in its service territory, unless otherwise directed by the customer. This provision does not apply to customer-specific information, obtained with proper authorization, necessary to fulfill the terms of a contract, or information relating to the provision of general and administrative support services.
3. Employees of the Company's affiliates shall not have access to any information about the Company's transmission or distribution systems (e.g., system operations, capability, price, curtailments, and ancillary services), that is not contemporaneously and in the same form and manner available to a nonaffiliated competitor of retail electric service.
4. The Company shall treat as confidential all information obtained from a competitive supplier of retail electric service, both affiliated and nonaffiliated, and shall not release such information unless a competitive supplier provides authorization to do so, or unless the information was or thereafter becomes available to the public other than as a result of disclosure by the company.
5. The Company shall not tie (nor allow an affiliate to tie) or otherwise condition the provision of the Company's regulated services, discounts, rebates, fee waivers, or any other waivers of the Company's ordinary terms and conditions of service, including but not limited to tariff provisions, to the taking of any goods and/or services from the Company's affiliates.
6. The Company shall not engage in joint advertising or marketing of any kind with its affiliates or directly promote or market any product or service offered by any affiliate. The Company shall also not give the appearance that the Company speaks on behalf of its affiliates or that the customer will receive preferential treatment as a consequence of conducting business with the affiliates.

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7. The Company, upon request from a customer, shall provide a complete list of all suppliers operating on the system, but shall not endorse any suppliers nor indicate that any supplier will receive preference because of an affiliate relationship.
8. The Company shall not trade upon, promote or advertise its affiliate relationship nor allow the Company name or logo to be used by the affiliate in any material circulated by the affiliate, unless it discloses in plain legible or audible language, on the first page or at the first point where the utility name or logo is mentioned, that:
 - a. The affiliate is not the same company as the Company;
 - b. The affiliate is not regulated by the Commission; and
 - c. The customer does not have to buy the affiliate's products in order to continue to receive quality, regulated service from the Company.

The application of the name/logo disclaimer is limited to the use of the name or logo in Ohio.

9. The Company shall provide comparable access to products and services related to tariffed products and services and specifically comply with the following:
 - (a) The Company shall be prohibited from unduly discriminating in the offering of its products and/or services;
 - (b) The Company shall apply all tariff provisions in the same manner to the same or similarly situated entities, regardless of any affiliation or nonaffiliation;
 - (c) The Company shall not, through a tariff provision, a contract, or otherwise, give its affiliates preference over nonaffiliated competitors of retail electric service or their customers in matters relating to any product and/or service;
 - (d) The Company shall strictly follow all tariff provisions;
 - (e) Except to the extent allowed by state law, the Company shall not be permitted to provide discounts, rebates, or fee waivers for any state regulated monopoly service; and
 - (f) Violations of the provisions of this rule shall be enforced and subject to the disciplinary actions described in divisions (C) and (D) of Section 4928.18, Ohio Revised Code.
10. Notwithstanding any provision of this Code of Conduct, in a declared emergency situation, the Company may take actions necessary to ensure public safety and system reliability. The Company shall maintain a log of all such actions that do not comply with this Code of Conduct, which log shall be review by the Commission.
11. The Company shall establish a complaint procedure for the issues concerning compliance with this rule. All complaints, whether written or verbal, shall be referred to the general counsel of the Company or their designee. The legal counsel shall orally acknowledge the complaint within five (5) business days of its receipt. The legal counsel shall prepare a written statement of the complaint that shall contain the name of the complainant and a detailed factual report of the complaint, including all relevant dates, companies involved,

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employees involved, and the specific claim. The legal counsel shall communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received, including a description of any course of action that was taken. The legal counsel shall keep a file in the Cost Allocation Manual, of all such complaint statements for a period of not less than three (3) years. This complaint procedure shall not in any way limit the rights if a party to file a complaint with the Commission.

32. MINIMUM REQUIREMENTS FOR DISTRIBUTION SYSTEM INTERCONNECTION

Applicability

This schedule is applicable to any customer with cogeneration, small power production facilities, and/or other on-site facilities producing electrical energy who wishes to operate such facilities in parallel with the Company's distribution system at voltages up to 35 kV. For customers with voltages above 35 kV, Interconnection must comply with all appropriate Federal Energy Regulatory Commission and Regional Transmission Organization requirements. This schedule is not applicable to the interconnection and parallel operation of facilities which the Federal Energy Regulatory Commission has determined to be subject to its jurisdiction. A customer who has a facility that does not qualify for simplified interconnection pursuant to the PUCO's distribution interconnection rules (O.A.C. § 4901:1-22) (Commission Rules) and the Company's technical requirements for interconnection (Technical Requirements), incorporated herein by reference, may negotiate a separate interconnection agreement with the Company and the terms and conditions of this schedule shall apply to such customers to the extent that the negotiated interconnection agreement does not conflict with this schedule.

Purpose

The purpose of this schedule is to implement Ohio Revised Code Section 4928.11, which calls for uniform interconnection standards that are not unduly burdensome or expensive and also ensure safety and reliability, to the extent governing authority is not preempted by federal law. This schedule states the terms and conditions that govern the interconnection and parallel operation of a customer's facility with the Company's distribution system.

Customer Request For Interconnection

Any customer seeking to physically connect facilities to the Company's distribution system, which facilities may be used in parallel operation with the Company's distribution system, shall file an interconnection application and sign an interconnection agreement with the Company. For facilities for which the referenced Technical Requirements are applicable, the customer and Company shall execute a simplified interconnection agreement. For all other facilities, the customer and the Company shall execute an interconnection agreement which may be different from the simplified agreement, but which shall conform with the provisions of this schedule, to the extent applicable. Copies of all applicable forms and the Company's Technical Requirements are available upon request.

To the extent possible, interconnection to the Company's distribution system shall take place within the following time frames:

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1. Where no construction is required by the Company and the facility qualifies for simplified interconnection pursuant to the review procedure contained in the Commission Rules, interconnection shall be permitted within four weeks of the Company's receipt of a completed interconnection application in compliance with the terms and conditions of this schedule. Prior to actual interconnection, the customer must execute the interconnection agreement.
2. Where construction or system upgrades of the Company's distribution system are required, the Company shall provide the customer, in a timely fashion, an estimate of the schedule and the customer's cost for the construction or upgrades. If the customer desires to proceed with the construction or upgrades, the customer and the Company shall enter into a contract. The contract shall contain a construction schedule listing target commencement and completion dates, and an estimate of the customer's costs for construction or upgrades. Assuming the customer is ready, the interconnection shall take place no later than two weeks following the completion of such construction or upgrades. The Company shall employ best reasonable efforts to complete such system construction or upgrades in the shortest time reasonably practical.
3. All interconnection applications shall be processed by the Company in a nondiscriminatory manner. The Company shall promptly provide the customer a written notice of the Company's receipt of the application. The Company will endeavor to place such notice in the U.S. Mail or respond by Email within three business days after the application has been received by the Company's personnel designated on the application form. The Company shall provide the customer with a copy of the review process and a target date for processing the application. If the application is viewed as incomplete, the Company must provide a written notice within 10 days of receipt of the application by the Company's personnel designated on the application form that the application is not complete together with a description of the information needed to complete the application and a statement that processing of the application cannot begin until the information is received. The Company's target date shall permit interconnection in a timely manner pursuant to the requirements of the Commission Rules. Interconnection applications will be processed in the order that they are received. It is recognized that certain interconnection applications may require minor modifications while they are being reviewed by the Company. Such minor modifications to a pending application shall not require that it be considered incomplete and treated as a new or separate application. Minor modifications would not include at least the following: changes in facility size or location; any change requiring a new impact study; or any other substantive change.
4. If the Company determines that it cannot connect the customer's facility within the time frames required by the Commission Rules, the Company will notify the customer in writing of that fact as soon as possible. The notification will identify the reason or reasons the interconnection could not be completed within the time frames stated, and provide an estimated date for completion. This section shall not limit the rights of a customer for relief under Ohio Revised Code Chapter 4905.

Technical Requirements

The Company shall maintain a copy of the Technical Requirements at its business office such that the Technical Requirements are readily available to the public. The Company shall provide the Commission Staff with a copy of the Technical Requirements. Standards adopted by IEEE shall supersede the applicable provisions of the Company's Technical Requirements effective the date that

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IEEE adopts such standards. However, any interconnection made or initiated prior to the adoption of any national standard promulgated by IEEE shall not be subject to that standard. Regarding any IEEE minimum standard, or any guideline that the IEEE may promulgate, the Company may amend the Technical Requirements to the minimum extent required to address unique local conditions, and shall provide such amendments to the Staff and make such amendments available to customers. All Technical Requirements, including superseding standards adopted by IEEE, are incorporated herein by reference.

Metering

Any metering installation, testing, or recalibration required by the installation of the customer's generation facilities shall be provided consistent with the Electric Service and Safety Standards pursuant to Ohio Revised Code Chapter 4928, and specifically O.A.C. § 4901:1-10-05 (Metering) and, as applicable, § 4901:1-10-28 (C) (Net Metering).

Liability Insurance

Prior to interconnection with the Company, the customer must provide the Company with proof of insurance or other suitable financial instrument sufficient to meet its construction, operating and liability responsibilities pursuant to this schedule. At no time shall the Company require that the applicant negotiate any policy or renew any policy covering any liability through a particular insurance company, agent, solicitor, or broker. The Company's receipt of evidence of liability insurance does not imply an endorsement of the terms and conditions of the coverage.

System Impact and Facilities Studies

For those facilities that do not qualify for simplified interconnection pursuant to the review procedure included in the Commission Rules, the Company may require a supplemental review, service study, coordination study, facilities study or Company system impact study prior to interconnection. In instances where such studies are required, the scope of such studies shall be based on the characteristics of the particular generation facility to be interconnected and the Company's system at the specific proposed location. By agreement between the Company and the customer, studies related to interconnection of the generation facility may be conducted by a qualified third party. The cost of an impact facilities study performed by the Company shall be included in the costs set forth in the Interconnection Fees section of this schedule. The Company shall provide the customer with a target date for completion of any required system impact or facilities study. Any such study conducted by the Company shall be shared with the customer.

Interconnection Fees

The Company shall not charge any fees for interconnection other than those authorized by this schedule. Fees contained herein apply to each installation at the Company's distribution voltages up to 35 kV.

The Company shall charge each customer that applies for interconnection service an application fee as set forth in the Commission Rules. Fees for customer applications for

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interconnection that meet the qualifications for level 1, level 1.1 or level 1.2 simplified review procedures will be based on the actual costs per one-tenth of an hour of time spent by Company personnel on the simplified review. Customer applications for interconnection that meet the qualifications for level 2 expedited review will be subject to an application fee of \$50.00, plus one dollar per kilowatt of the applicant's system nameplate capacity rating. Interconnection customers whose facilities qualify for level 3 standard review procedures shall pay an application fee of \$100.00, plus two dollars per kilowatt of the applicant's system nameplate capacity rating.

Level 2 and level 3 interconnection review processes may require that one or more interconnection studies be performed to determine the feasibility, system impact, and cost of safely connecting the customer's generation facilities to the Company's distribution system. As specified in the Commission Rules, the cost of engineering work done as part of any feasibility, system impact or facilities study shall be billed to the customer at the Company's actual cost of performing such study.

Additional Fees

The customer is responsible for all equipment and installation costs of the customer's facility.

The customer shall pay any additional charges, as determined by the Company, for equipment, labor, metering, testing or inspections requested by the customer.

Construction or Upgrade Fees

If the interconnection requires construction or an upgrade of the Company's system which, save for the generation facility would not be required, the Company will assess the customer the actual cost including applicable taxes of such construction or upgrade. Payment terms for such construction or upgrade will be agreed to and specified in the construction contract. The Company and the customer may negotiate for alternatives in order to reduce any costs or taxes applicable thereto.

Resolution of Disputes

The Company or the customer who is a non-mercantile, non-residential customer may seek resolution of any disputes which may arise out of this schedule, including the interconnection and the referenced Technical Requirements in accordance with the Commission Rules.

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Special Terms and Conditions of Service

This schedule is subject to the Company's Terms and Conditions of Open Access Distribution Service and all provisions of the OAD service schedule under which the customer takes service. If applicable, the customer shall also take the appropriate service under the provisions of the applicable Residential or General Service Schedule and/or Schedule OAD-NEMS.

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Attachment E – CRES EDU Redline Agreement

**ELECTRIC DISTRIBUTION COMPANY/
COMPETITIVE RETAIL ELECTRIC SERVICE PROVIDER AGREEMENT
FOR OHIO POWER COMPANY'S
OHIO RETAIL ACCESS PROGRAM**

THIS AGREEMENT is made and entered into effective as of _____, 20__, (the "Effective Date") between Ohio Power Company, an Ohio Corporation ("Company") and _____, a _____ ("CRES Provider"). The Company and the CRES Provider are sometimes herein referred to singularly as a "Party" or collectively as the "Parties."

WITNESSETH:

WHEREAS, the Company is a public utility, subject to the jurisdiction of the Public Utilities Commission of Ohio ("PUCO") as to retail electric service provided within its Ohio service territory; and

WHEREAS, the CRES Provider intends to offer and sell one or more competitive retail electric services approved as part of the Company's Choice Program ("Competitive Retail Electric Services"); and

WHEREAS, an agreement between the Company and the CRES Provider is needed as part of the Company's CRES Provider registration process to establish and govern the business relationship between the Parties under the Company's Choice Program.

NOW THEREFORE, in consideration of the promises and mutual covenants herein contained, and subject to the terms and conditions herein contained, the Parties hereby agree as follows:

Article 1. Definitions.

1.1 Whenever used herein, the following terms shall have the respective meanings set forth below, unless a different meaning is plainly required by the context:

- A. "Agreement" shall mean this Electric Distribution Company/Competitive Retail Electric Service Provider Agreement for Ohio Power Company's Ohio Retail Access Program.
- B. "Business Day" shall mean any calendar day or computer processing day in the Eastern U.S. time zone, on which the general office of the Company is open for business with the public.

- C. "Choice Program" shall mean the program implemented by the Public Utilities Commission of Ohio to provide electric utility customers with choice pursuant to Am. Sub. S. B. No. 3.
 - D. "Company's Retail Tariff" shall mean the Company's tariff on file with the PUCO, including all standard terms and conditions of service, terms and conditions of service for Choice Program participants, and open access distribution rate schedules.
 - E. "AEPCH" shall mean the Clearing House operated by the Company's service company or designee, which coordinates and communicates data related to such things as, but not limited to, enrollment and switching, estimation and reconciliation, settlement, and billing and reporting.
 - F. "CRES" shall mean Competitive Retail Electric Service.
 - G. "EBT" shall mean electronic business transactions.
 - H. "EDI" shall mean electronic data interchange.
 - I. "FERC" shall mean the Federal Energy Regulatory Commission or any successor thereto.
 - J. "PJM" shall mean PJM Interconnection LLC
 - K. "PJM OATT" shall mean The Open Access Transmission Tariff of the PJM Interconnection LLC or any successor thereto, on file with the FERC.
 - L. "PUCO" or "Commission" shall mean Public Utilities Commission of Ohio.
 - M. "VAN" or "VANS" shall mean a value added network used for electronic data interchange
- 1.2 Additional definitions controlling this Agreement are contained in the PUCO rules and orders and/or the Company's Retail Tariff, or appear in subsequent parts of this Agreement, as required.
- 1.3 Unless the context plainly indicates otherwise, words imparting the singular number shall be deemed to include the plural number (and vice versa); terms such as "hereof," "herein," "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Agreement rather than any particular part of the same.

Article 2. Scope of Agreement.

- 2.1 The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference.
- 2.2 This Agreement shall govern the business relationship between the Parties and constitutes a part of the Company's registration process, the successful completion of which is necessary before the CRES Provider is authorized to begin providing one or more Competitive Retail Electric Services in the Company's Ohio service territory.
- 2.3 This Agreement does not cover any transmission or ancillary services that are necessary to provide any Competitive Retail Electric Service. Any such services shall be obtained, either by the CRES Provider or its customer, in accordance with PJM's OATT, as required by the Company's Retail Tariff.
- 2.4 The Company's Retail Tariff is incorporated herein by reference and made a part hereof.
- 2.5 The Company's Electronic Data Interchange Standards as set forth in Appendix A is incorporated herein and made a part hereof.

Article 3. Representations and Warranties.

- 3.1 The CRES Provider represents and warrants that it is a _____, duly organized, validly existing and in good standing under the laws of the State of _____, and that it is authorized to do business, and is in good standing, in the State of Ohio.
- 3.2 The CRES Provider represents and warrants that it has completed all required actions relative to membership in PJM and is authorized by PJM to transact business with regard to transmission service.
- 3.3 Each person executing this Agreement for the respective Parties expressly represents and warrants that he or she has authority to bind the entity on whose behalf this Agreement is executed.
- 3.4 Each Party represents and warrants that (a) it has the full power and authority to execute this Agreement and to fulfill its terms and conditions; (b) the execution and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party;

and (c) this Agreement constitutes such Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.

- 3.5 Each Party represents and warrants that there are no actions at law, suits in equity, proceedings or claims pending or threatened against it before any federal, state, foreign or local court, tribunal or government agency or authority that might materially delay, prevent or hinder the performance of its obligations hereunder.
- 3.6 Each Party represents and warrants that it is and shall remain in compliance with all applicable laws and tariffs, including, without limitation, applicable rules and regulations of the Commission.
- 3.7 The CRES Provider represents and warrants that it has obtained a certification from the PUCO to provide one or more Competitive Retail Electric Services to retail customers located within the Company's service territory under the Choice Program, and that it will maintain that certification in good standing throughout the life of this Agreement.
- 3.8 The CRES Provider represents and warrants that the information provided by the CRES Provider in the Provider Registration Application is true and accurate. The CRES Provider further represents and warrants that, within 21 days of becoming aware of such facts, it will notify the Company in writing, in accordance with Article 18 hereof, if there are any changes in the financial or credit information supplied to the Company on the CRES Provider's Registration Application, or if there are any material changes to any other information supplied on that Application.
- 3.9 The CRES Provider represents and warrants that it will obtain and maintain written authorization from each of its customers or prospective customers before it seeks to obtain from the Company that customer's historical demand and energy usage data.
- 3.10 If either Party learns that any of the representations and/or warranties contained in this Agreement has been violated or are false or misleading in any material respect when made or deemed made or repeated, such Party shall immediately notify the other Party in writing.
- 3.11 All representations and warranties contained in this Article shall continue for the term of this Agreement.

Article 4. Obligations of the Parties.

- 4.1 The Company and the CRES Provider shall cooperate in order to ensure the provision of any Competitive Retail Electric Services by the CRES Provider to customers in accordance with PUCO orders, the Company's Retail Tariff, and PJM's OATT, as applicable. Each Party shall (a) exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement; and (b) carry out its duties in accordance with applicable recognized professional standards in accordance with the requirements of this Agreement.
- 4.2 The CRES Provider and the Company shall supply to each other all data, materials or other information specified in this Agreement, or that may otherwise be reasonably required by the CRES Provider, the Company, or the PUCO in connection with their obligations under this Agreement, in a thorough and timely manner. The CRES Provider will comply with any and all information and data transfer protocols (including EBT and EDI standards) that may be adopted, and modified from time to time, by either the Company, the AEPCH, or the PUCO. The CRES Provider will also comply with any requirements of both the AEPCH or the PUCO regarding the coordination and communication of information and/or data transfers.
- 4.3 CRES Provider agrees, at all times, to comply with the CRES Provider Credit Requirements contained in the Company's Retail Tariff. If CRES Provider's participation in the Company's Choice Program terminates for any reason, CRES Provider shall maintain any and all financial security instruments that CRES Provider was required to provide pursuant to Company's Retail Tariff, until such time as the Company has determined that the CRES Provider has fully satisfied and discharged all of its obligations to Company.
- 4.4 The CRES Provider shall (a) obtain and maintain a certification from the Commission and any licenses, permits or other authorizations from any other federal, state or local agencies required to offer and/or sell Competitive Retail Electric Service in the Company's Choice Program; (b) complete PJM membership requirements and remain a member in good standing with PJM; (c) complete all applications and/or forms including renewal applications, and execute any agreements required for the CRES Provider's participation in the Company's Choice Program; (d) demonstrate to the Company, prior to enrolling any customers, that the CRES Provider has the

requisite technical competence (*e.g.*, communication capabilities) to comply with EBT and EDI standards for the exchange of information, as set, and modified from time to time, by either the Company or the AEPCH; (e) if required, provide to the Company, and maintain during the term of this Agreement, the type (in the format and amount specified by the Company) of financial security (i.e. collateral) required by the Company to safeguard the Company and its customers from losses or additional costs incurred due to any non-performance on the part of the CRES Provider; and, pursuant to settlement processes defined in Article 10, (f) agree to remit payments for capacity, energy, unaccounted for energy or other PJM calculated ancillary charges for PJM initial settlement, the final 60-day load reconciliation or any other adjustments set forth in Article 10. The foregoing requirements represent conditions precedent to the Company's obligations hereunder.

- 4.5 ~~4~~To address continuity of service if the Company learns that any Schedule OAD ~~GS-1~~GS-1, GS-2, GS-3 or GS-4 customer is Bankrupt (as defined below), the Company shall email and seek the CRES Provider's instructions regarding the CRES Provider's intent or decision to retain or terminate the applicable CRES customer contract. If the CRES Provider fails to respond to the Company's email inquiry regarding the OAD ~~GS-s1~~GS-1, GS-2, GS-3 or GS-4 customer within seven calendar (7) days, or any CRES Provider customer is Bankrupt and is on ~~either a~~ Schedule OAD ~~RS or GS-1~~, the Company shall drop any such customer's electric service account to the Company's standard service on behalf of the CRES Provider. Neither the OAD Tariff nor this Agreement requires the Company to be responsible for notifying CRES Providers of their customers' bankruptcies or be liable to the CRES Provider as a result of such bankruptcies. "Bankrupt" means with respect to the customer, such customer files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy.

Article 5. Load Profiles.

- 5.1 During the term of this Agreement, the Company intends to post average customer load profile information, for classes that will utilize load profiling to its AEP Ohio website, Customer Choice web page, Load Profile link. These profiles are for informational purposes only and the Company

makes no representations or warranties of any kind regarding either the availability or use of such load profiles.

Article 6. Confidentiality of Information.

- 6.1 Customer-specific information will not be provided to the CRES Provider without a customer's affirmative authorization via the AEP Ohio Letter of Authorization, and the CRES Provider shall keep confidential all customer-specific information supplied by the Company, unless the CRES Provider has the customer's affirmative authorization to do otherwise.
- 6.2 All Company information made available by the Company to the CRES Provider pursuant to this Agreement, including, without limitation, class load profile data and information regarding the Company's computer systems or communications systems, shall not be disclosed to third parties without the prior written consent from the Company.
- 6.3 If the CRES Provider becomes legally compelled to disclose any of the information required to be kept confidential pursuant to Sections 6.1 and 6.2, the CRES Provider shall immediately notify the Company of the requirement to disclose. In such case, the CRES Provider shall cooperate with the Company to enable it to obtain protective treatment of the information. If the CRES Provider is nonetheless required to disclose information the CRES Provider shall furnish only that portion of the information, which is legally required.

Article 7. Billing Options Offered to the CRES Provider's Customers.

- 7.1 The following billing options are available to the CRES Provider's customers under the Company's Choice Program: CRES Provider consolidated billing (limited pilot), separate Company and CRES Provider bills (Dual Billing); Company consolidated Rate Ready billing, and Company consolidated Bill Ready billing.
 - a. The CRES Provider will not send to the Company any CRES Provider messages of any type to present on any Company Rate Ready billing. The Company will take reasonable efforts to display any messages on the Company's Rate Ready billing pertaining to CRES Provider charges and those messages which are required by the regulatory or governmental agencies.
 - b. The CRES Provider may provide the Company with the CRES Provider Logo ("Logo") to display on the Company's consolidated customer bill. The Company will take reasonable efforts to

display the Logo provided that the Logo meets these criteria: 1) black and white only; 2) at least 600 dpi (dots per inch); 3) in jpg or gif file format only (other file formats will not be utilized); 4) logo image should be horizontal/rectangular in shape (rather than vertical or stacked) and no greater than 5/16 inch height by 1 1/8 inches in width. If the CRES Provider does not provide a Logo, a blank space will display on the consolidated bill.

7.2 Company Reimbursement to Certified Supplier for Customer Payments

Where the Company acts as the billing agent for the CRES Provider, the Company shall reimburse the CRES Provider for all energy charges, sales taxes, and other charges collected on behalf of the CRES Provider. The Company will strive to reimburse the CRES Provider within five (5) business days, following receipt of the customer's payment, when possible, but will not take more than 10 business days.

Article 8. Metering Service Options Offered to the CRES Provider's Customers.

- 8.1 The following retail metering service options will be available to some or all of the CRES Provider's customers under the Company's Choice Program: the provision by a meter service provider ("MSP") of an electric meter, including meter sale or rental, and/or physical metering service, including meter installation, removal, maintenance, repair, calibration, and testing; and the provision by a meter data management agent ("MDMA") of meter information service, including data collection, processing (validation, editing, and estimation), storage, and communication. Before the CRES Provider may offer any of these types of services to any of its customers, the CRES Provider shall execute the appropriate addendum to this Agreement that specifies the terms under which the option may be offered to the CRES Provider's customers.

Article 9. Electronic Data Interchange

- 9.1 Each Party may electronically transmit to or receive from the other Party any transaction set listed in the materials referenced in Appendix A. All EDI transactions shall be transmitted in accordance with the terms of the Electronic Data Interchange provisions of this Agreement and the standards set forth in Appendix A.
- 9.2 EDI Transactions will be transmitted electronically to each Party, and the terms and conditions listed in Appendix A, either directly or through any third party service provider ("Provider") with

which either Party may contract. For purposes of this Agreement, a “third party service provider” includes, but is not limited to, VANS, clearinghouses, and any key token security provider. Either Party may modify its election to use, not use, or change a Provider upon thirty (30) days prior written notice. A Level 2 connectivity test, as described in the Ohio EDI Implementation Guidelines, must be completed at least ten (10) Business Days in advance of the change to a new Provider. The applicable third party service Providers for the Company and the CRES Provider shall be listed in Appendix A.

9.2.1 Each Party shall be responsible for the costs and performance of any Provider with which it contracts.

9.2.2 Each Party shall be liable for the acts or omissions of its Provider while transmitting, receiving, storing, or handling EDI transactions, or performing related activities for such Party; provided that, if both Parties use the same Provider to effect the transmission and receipt of an EDI transaction, the originating Party shall be liable for the acts or omissions of such Provider as to such EDI transaction.

9.3 Each Party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to effectively and reliably transmit and receive EDI transactions.

9.4 Each Party shall properly use those security procedures, including those set forth in Appendix A, which are reasonably sufficient to ensure that all transmissions of EDI transactions are authorized and to protect its business records and data from improper access.

9.5 Each Party shall adopt as its signature, electronic identification consisting of symbol(s) or code(s) that are to be affixed to or contained in each EDI transaction or EDI transaction envelope transmitted by such Party (“Signatures”). Each Party agrees that any Signature of such Party affixed to or contained in any transmitted EDI transaction shall be sufficient to verify that such Party originated such EDI transaction. Neither Party shall disclose to any unauthorized person the Signatures of the other Party.

9.6 Level 2 testing certifications, as detailed in the Ohio Electric Implementation Guidelines, along with any added Company requirements, are prerequisites to Electronic Transactions. The Company reserves the right to add requirements as it deems necessary. The Company may require

additional testing in response to a change in the system environments including, but not limited to: installation of a new application system, installation of a new EDI translator or implementation of a new EDI version. Additional testing shall adhere to the testing procedures as determined by the Company.

- 9.7 EDI transactions shall not be deemed to have been properly received, and no EDI transaction shall give rise to any obligation, until accessible to the receiving Party at such Party's electronic mailbox designated in Appendix A.
- 9.8 Upon proper receipt of any EDI transaction, the receiving Party shall promptly and properly transmit a functional acknowledgment in return. A functional acknowledgement shall constitute conclusive evidence that an EDI transaction has been properly received.
- 9.9 If acceptance of an EDI transaction is required, any such EDI transaction which has been properly received shall not give rise to any obligation unless and until the Party initially transmitting such EDI transaction has properly received in return the agreed acceptance EDI transaction.
- 9.10 If any properly transmitted EDI transaction is received in an unintelligible or garbled form, the receiving Party shall promptly notify the originating Party (if identifiable from the received EDI transaction) in a reasonable manner. In the absence of such a notice, the originating Party's records of the contents of such EDI transaction shall control, unless the identity of the originating Party cannot be determined from the received EDI transaction.
- 9.11 EDI transactions and communications related to Electronic Transactions under this Agreement shall maintain the same degree of confidentiality, as they would have in the form of paper records.
- 9.12 Any EDI transaction properly transmitted pursuant to this Agreement shall be considered, in connection with any EDI transaction, to be a "writing" or "in writing"; and any such EDI transaction when containing, or to which there is affixed, a Signature ("Signed Document") shall be deemed for all purposes (a) to have been "signed" and (b) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

- 9.13 The conduct of the Parties pursuant to this Agreement, including the use of Signed Documents properly transmitted pursuant to the Agreement, shall, for all legal purposes, evidence a course of dealing and a course of performance accepted by the Parties in furtherance of this Agreement.
- 9.14 The Parties agree not to contest the validity or enforceability of Signed Documents under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the Party to be bound thereby. Signed Documents, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the Parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall contest the admissibility of copies of Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form.
- 9.15 Each Party agrees to maintain either a paper copy or the electronic data required to create a paper copy of each Electronic Transaction which it initiates during the term of this Agreement and for at least two (2) years thereafter.
- 9.16 Upon the reasonable request of either Party, the other Party shall make all of its Electronic Transactions relating to the performance of this Agreement available to the requesting Party for inspection during the term of this Agreement and for two (2) years thereafter.
- 9.17 In the event that the Party to whom a request is made fails to maintain an appropriate record of any Electronic Transaction or fails to make such record available to the requesting Party upon reasonable request therefore, the requesting Party's record, if any, of such Electronic Transaction shall be conclusive in any dispute regarding such Electronic Transaction.

Article 10. Settlement Procedure.

- 10.1 PJM performs settlements for transmission, capacity and energy obligations for CRES provider market participation on predefined intervals using metered customer load obligations and daily CRES Provider customer enrollment obligation data provided by AEP Ohio. AEP Ohio will make a best effort providing accurate load and customer obligation data. Energy is initially settled by PJM day-after load for CRES Providers, called "Settlement A." After final meter

readings are available to AEP Ohio, supplier load obligation variances are reported to PJM, and PJM performs a final 60-Day energy settlement for the market, called "Settlement B." Until such time PJM establishes processes outside of the 60-day final settlement process, AEP Ohio will resettle adjustments that are identified outside of the 60-day period and only adjustments affecting billing for a GS-2 customer or above with a total adjustment amount equal to or greater than 36,000 MWH or more in energy and limited to 12 months following the 60-day settlement B. Such adjustments shall be credited or assessed against each LSE in the AEP Ohio zone as applicable based upon corrected load shares during the adjustment period and as a condition of doing business in the Company's service territory all CRES Providers will be deemed to have consented to and agreed to permit any such resettlements to be completed by and through AEP Ohio and/or PJM. Except for a GS-2 customer or above with a total adjustment amount equal to or greater than 36,000 MWH or more in energy within the 12 months following the 60-Day energy settlement any errors identified outside of ~~this the~~ 60-day process are considered closed and no corrected settlement shall be performed by AEP Ohio. For a GS-2 customer or above with a total adjustment amount equal to or greater than 36,000 MWH or more in energy within 12 months following the 60-Day energy settlement any errors identified outside of the twelve month period following the 60-Day energy settlement are considered closed and no corrected billing shall be performed by the CRES Provider, or on behalf of the CRES Provider by AEP Ohio for their assigned customers.

Article 11. Effective Date and Termination of Agreement.

- 11.1 The term of this Agreement shall commence as of the Effective Date and shall continue for a period of one year, unless sooner terminated as provided in Section 11.2. Notwithstanding the Effective Date, the CRES Provider acknowledges that it may not begin supplying any Competitive Retail Electric Services prior to the time it is in compliance with the provisions of this Agreement, PUCO orders and rules, and the Company's Retail Tariff.
- 11.2 This Agreement shall or may be terminated as follows:
 - 11.2.1 In the event the CRES Provider ceases to provide Competitive Retail Electric Service to all customers in the Company's service territory or otherwise withdraws from the Choice

Program, and so notifies the Company in writing in accordance with the notice requirements of Article 18, this Agreement shall terminate thirty (30) days following the date on which the CRES Provider ceases to have any active customers.

11.2.2 In the event of a Default (as defined in Section 12.1 of Article 12) by either Party ("Defaulting Party"), the other Party ("Non-Defaulting Party") may terminate this Agreement by providing written notice to the Defaulting Party, without prejudice to any remedies at law or in equity available to the Non-Defaulting Party by reason of the event of Default.

11.2.3 In the event that the Company elects in its sole discretion to terminate the Agreement by providing not less than sixty (60) days prior written notice to the CRES Provider.

11.3 Upon termination of this Agreement, the CRES Provider shall no longer be registered with the Company or authorized to provide Competitive Retail Electric Services in the Company's Choice Program.

11.4 The termination of this Agreement for any reason shall not relieve the Company or the CRES Provider of any obligation accrued or accruing prior to such termination.

11.5 Unless either party gives notice of termination thirty (30) days prior to October 31 ("Anniversary Date") of each renewal year, the Agreement shall automatically renew for successive one- year terms, provided there is no Event of Default hereunder.

Article 12. Events of Default and Remedies.

12.1 A CRES Provider is in default of its obligations under the Company's Choice Program if any one or more of the following "Events of Default" occurs:

12.1.1 The CRES Provider fails to perform any material obligation under this Agreement or the Company's Retail Tariff, the PUCO orders and rules, or PJM's OATT, within the requisite time frames, including, without limitation, any credit or security requirements;

12.1.2 The CRES Provider fails to fully pay an invoice from the Company within three Business Days following the due date of the invoice;

12.1.3 The CRES Provider is decertified by the PUCO or is otherwise declared ineligible to participate in the Ohio Customer Choice Program or the Company's Customer Choice Program;

12.1.4 The CRES Provider's action or inaction has or will jeopardize the operational integrity, safety, or reliability of the Company's transmission or distribution system;

12.1.5 The CRES Provider or its agent performing services on behalf of the CRES Provider is in default of any agreement with or requirement of PJM, is no longer member of PJM or any other required authorization of the CRES Provider is actually revoked;

12.1.6 The CRES Provider misuses the Company Consolidated and Bill-Ready Billing option by incorrectly using the name of the Company or the name of one of the Company's affiliates in a charge description or otherwise using this billing option in a misleading or defamatory manner;

12.1.7 The CRES Provider voluntarily withdraws from the Company's Customer Choice Program without providing at least ninety calendar days notice to the Company;

12.1.8 With respect to, if any, a CRES Provider's guarantor or issuer of a Letter of Credit or issuer of a Surety Bond: (i) if any representation or warranty made by such guarantor or issuer of a Letter of Credit or issuer of a Surety Bond in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated; (ii) the failure of such guarantor ~~or~~ issuer of a Letter of Credit or issuer of a Surety Bond to make any payment required or to perform any other material covenant or obligation in any guaranty Letter of Credit or Surety Bond made in connection with this Agreement and such failure shall not be remedied within three (3) business days after written notice; (iii) such guarantor or issuer shall repudiate, disaffirm disclaim or reject, in whole or in part, or challenge the validity of, as applicable any guaranty ~~or~~ Letter of Credit or Surety Bond; or (iv) the failure of a guarantor's guaranty ~~or the~~ issuer's Letter of Credit or the issuer of a Surety Bond to be in full force and effect for purposes of this Agreement (other than in accordance with its terms) prior to the satisfaction of all obligations of the CRES Provider to which such guaranty Letter of Credit or Surety Bond shall relate without the written consent of the Company.

12.1.9 The CRES Provider or, if applicable, its guarantor the issuer of a Letter of Credit or the issuer of a Surety Bond files a voluntary petition in bankruptcy or otherwise commences, authorizes or acquiesces in the commence of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it; has an involuntary petition in bankruptcy filed against it; is insolvent; has a receiver, liquidator, administrator, trustee,

conservator or similar official appointed with respect to it or any substantial portion of its property or assets; or is generally unable to pay its debts as they fall due.

12.2 If an Event of Default with respect to a CRES Provider shall have occurred, the Non-Defaulting Party shall be entitled to, without limitation, (a) suspend enrolling any new CRES Provider customers and the CRES Provider shall not be permitted to enroll any new customers in the Company's Choice Program unless it re-registers in the Company's Customer Choice Program, pursuant to the requirements of Section # of the Company's Retail Tariff; (b) pursue any and all available legal and equitable remedies available to it, including proceeding against the financial security and collateral provided by the CRES Provider to the Company; and/or (c) terminate this Agreement by written notice to the CRES Provider, without any liability or responsibility whatsoever, except for obligations arising prior to the date of termination and the CRES Provider's customers shall be returned to the Company's Standard Offer Rate effective on each customer's next Meter Read Date after the date of termination. ____

Article 13. Dispute Resolution.

- 13.1 Any disputes involving transmission service shall be handled in accordance with PJM's OATT.
- 13.2 Disputes between a CRES Provider's customer and the CRES Provider shall be the sole responsibility of the CRES Provider. At the request of the PUCO, the Company may provide input to customer rate dispute processes to the extent necessary as determined by the PUCO.
- 13.3 Disputes between a customer of the Company and the Company shall be subject to the Company's existing customer dispute resolution procedures.

Article 14. Force Majeure.

- 14.1 Neither party shall be liable for any delay in performing or for failing to perform its respective obligations under this Agreement due to any event of Force Majeure including a catastrophic weather condition (but not fluctuations in temperature no matter how extreme), flood, fire, lightning, epidemic, quarantine restriction, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, walkout, lockout or other labor dispute, work stoppage caused by jurisdictional and/or similar disputes, restraint by court order or public authority, or action or non-action by, or inability to obtain authorization or approval from, any governmental authority, or any combination of these causes, which by the exercise of due diligence and foresight

such Party could not reasonably have been expected to avoid and which by the exercise of due diligence is unable to overcome. Financial loss or other economic hardship of either Party shall not constitute an event of Force Majeure under this Agreement.

- 14.2 The obligations of either Party, so far as they are affected by the Force Majeure event, shall be suspended during the continuation of such inability and circumstance and shall, so far as possible, be remedied within a reasonable period of time. During such Force Majeure event, both Parties shall take all reasonable steps to comply with this Agreement notwithstanding the occurrence of the event. This section shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest. It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be entirely within the discretion of the Party involved in the strike, walkout, lockout or other labor dispute.

Article 15. Regulatory Authorizations and Jurisdiction.

- 15.1 The Company and the CRES Provider are subject to, and shall comply with, all existing or future applicable federal, state and local laws, and all existing or future duly promulgated orders or other duly authorized actions of governmental authorities having jurisdiction over the matters covered by this Agreement.
- 15.2 This Agreement is subject to change in the future to reflect any relevant changes required by the PUCO or other Ohio state agency having jurisdiction, or by virtue of any federal or state law or regulation, and such changes shall be deemed to be binding upon the Parties, except where the right to terminate is exercised in accordance with the terms of this Agreement.
- 15.3 Any references to FERC-jurisdictional matters in this Agreement are intended solely for informational purposes and are not intended to accord any jurisdictional authority over such matters to the Commission. If anything stated herein is found by the FERC to conflict with or to be inconsistent with any provision of the Federal Power Act ("FPA"), or any rule, regulation, order or determination of the FERC under the FPA, the applicable FERC rule, regulation, order or determination of the FERC shall control.

Article 16. Limitation of Liability.

- 16.1 The Company shall have no duty or liability with respect to Competitive Retail Electric Service before it is delivered by a CRES Provider to an interconnection point with the applicable Company rate zone.
- 16.2 The Company does not guarantee continuous, regular and uninterrupted supply of service. The Company may, without liability, interrupt or limit the supply of service for the purpose of making repairs, changes, or improvements in any part of its system for the general good of the service or the safety of the public or for the purpose of preventing or limiting any actual or threatened instability or disturbance of the system. The Company is also not liable for any damages due to accident, strike, storm, riot, fire, flood, legal process, state or municipal interference, or any other cause beyond the Company's control. The Company shall have no duty or liability with respect to Competitive Retail Electric Service before it is delivered by a CRES Provider to an interconnection point with the applicable Company rate zone. After its receipt of Competitive Retail Electric Service at the point of delivery, the Company shall have the same duty and liability for transmission and distribution service to its customers receiving electric energy and capacity from the Company.
- 16.3 Except as expressly provided in the Company's Retail Tariff, the Company shall have no duty or liability to a CRES Provider providing Competitive Retail Electric Services arising out of or related to a contract or other relationship between a CRES Provider and a customer of the CRES Provider.
- 16.4 The Company shall have no liability to the CRES Provider or customer for supplier charge billing errors presented to the customer through Rate Ready or Bill Ready utility consolidated billing resulting from errors in EDI submission of billing determinants from the CRES Provider, or Rate Ready set-up of billing determinants by the CRES Provider.
- 16.5 The Company shall switch customers to the CRES Provider consistent with the PUCO orders and rules and the Company's Retail Tariff, and shall have no liability to the CRES Provider arising out

of or related to a customer's decision to switch among competitive service providers and/or the Company, unless the Company is grossly negligent in switching or failing to switch a customer.

- 16.6 The Company shall not have any duties or liabilities other than those specifically set forth in this Agreement. The Company shall have no liability to the CRES Provider for any consequential, indirect, incidental, special, ancillary, punitive, exemplary, or other damages, including lost profits, lost revenues, or other monetary losses arising out of any errors or omissions.

Article 17. Indemnification.

- 17.1 To the fullest extent permitted by law, the CRES Provider shall defend, indemnify and hold harmless the Company from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including the Company's employees or any third parties, or any other liability incurred by the Company, including reasonable attorneys' fees, relating to performance under this Agreement, except to the extent that a court of competent jurisdiction determines that the losses, expenses or damage were caused wholly or in part by any grossly negligent or willful act or omission of the Company.
- 17.2 The CRES Provider's obligation to defend, indemnify and hold harmless under this Article shall survive termination of this Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the CRES Provider under any statutory scheme, including any workers compensation acts, disability benefit acts or other employee benefit acts.

Article 18. Notices.

- 18.1 Any written notice required or appropriate hereunder shall be deemed properly made, given to, or served on the Party to which it is directed, when sent by overnight mail or United States mail, postage prepaid, and addressed as follows:

If to the CRES Provider:

If to the Company:

Ohio Choice Operations
AEP Ohio
~~850 Tech Center Drive~~ 700 Morrison Road
Gahanna, Ohio 43230

18.2 Notice of any change in any of the above addresses shall be given in writing in the manner specified in this Article.

18.3 Notices received after the close of a Business Day shall be deemed received on the next Business Day.

Article 19. Not a Joint Venture.

19.1 Unless specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be separate and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be liable individually and severally for its own obligations under this Agreement.

Article 20. Conflicts Between this Agreement and the Company's Retail Tariff or PJM's OATT.

20.1 Should a conflict exist or develop between the provisions of this Agreement and the relevant provisions of the Company's Retail Tariff or PJM's OATT, as approved by the PUCO and the FERC, respectively, the provisions of the Company's Retail Tariff and/or PJM's OATT shall prevail.

Article 21. Amendments or Modifications.

21.1 Except as provided in Section 13.2 of Article 13 of this Agreement, no amendment or modification shall be made to this Agreement, in whole or in part, except by an instrument in writing executed by authorized representatives of the Parties, and no amendment or modification shall be made by course of performance, course of dealing or usage of trade.

Article 22 Taxes.

- 22.1 All present or future federal, state, municipal or other taxes imposed on the CRES Provider by any taxing authority shall be the liability of the CRES Provider. The CRES Provider shall pay all such taxes to the applicable taxing authority to the extent required or permitted by law. If the Company is required to remit any taxes imposed upon customers directly to any applicable taxing authority, other than taxes collected by the Company directly from the CRES Provider's customers, then the CRES Provider shall indemnify the Company against, and will pay the Company for, all such tax amounts upon demand.

Article 23. Waiver of Rights.

- 23.1 No term or condition of this Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to such excuse. The failure of either Party to insist in any one or more instances upon strict performance of any provisions of this Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect.

Article 24. General Provisions.

- 24.1 The Parties agree that the normal rule of construction, to the effect that any ambiguities are to be resolved against the drafting Party, shall not be employed in the interpretation of this Agreement.
- 24.2 To the extent not subject to the exclusive jurisdiction of the FERC, the formation, validity, interpretation, execution, amendment and termination of this Agreement shall be governed by the laws of the State of Ohio.
- 24.3 The headings contained in this Agreement are used solely for convenience and do not constitute a part of the Agreement between the Parties hereto, nor should they be used to aid in any manner in the construction of this Agreement.
- 24.4 This Agreement is intended solely for the benefit of the Parties hereto. Nothing in this Agreement shall be construed to create any duty, or standard of care with reference to, or any liability to, any person not a Party to this Agreement.

- 24.5 Neither Party shall have any right, power, or authority to enter any agreement or undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 24.6 Cancellation, expiration or early termination of this Agreement shall not relieve the Parties of obligations that by their nature survive such cancellation, expiration or termination, including, without limitation, payment of any amounts due, warranties, remedies, promises of indemnity and confidentiality.
- 24.7 Should any provision of this Agreement be held invalid or unenforceable, such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any other provision hereof, unless it materially changes the Agreement of the Parties.
- 24.8 Each of the Parties hereto acknowledges that it has read this Agreement, and the Company's Retail Supplier Terms and Conditions of Service, understands them, and agrees to be bound by their terms. This Agreement is intended by the Parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement. All prior written or oral understandings or offers pertaining to this Agreement are hereby abrogated and withdrawn.

Article 25. Assignment and Delegation.

- 25.1 This Agreement may not be assigned by either the Company or the CRES Provider without the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld. However, the Company may assign any or all of its rights and obligations under this Agreement, without the CRES Provider's consent, to any entity succeeding to all or substantially all of the transmission and/or distribution facilities of the Company.
- 25.2 When duly assigned in accordance with the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the assignee. Any assignment in violation of this Article shall be void.

***** Signatures on following page. *****

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officials on the dates written below, to be effective as of the Effective Date.

Ohio Power Company
(the "Company")

(the "CRES Provider")

By: _____

By: _____

Printed
Name: Karen L. Sloneker

Printed
Name: _____

Title: Director, Customer Services
& Marketing

Title: _____

Date: _____

Date: _____

Attachment F – CRES EDU Clean Agreement

**ELECTRIC DISTRIBUTION COMPANY/
COMPETITIVE RETAIL ELECTRIC SERVICE PROVIDER AGREEMENT
FOR OHIO POWER COMPANY'S
OHIO RETAIL ACCESS PROGRAM**

THIS AGREEMENT is made and entered into effective as of _____, 20__, (the "Effective Date") between Ohio Power Company, an Ohio Corporation ("Company") and _____, a _____ ("CRES Provider"). The Company and the CRES Provider are sometimes herein referred to singularly as a "Party" or collectively as the "Parties."

WITNESSETH:

WHEREAS, the Company is a public utility, subject to the jurisdiction of the Public Utilities Commission of Ohio ("PUCO") as to retail electric service provided within its Ohio service territory; and

WHEREAS, the CRES Provider intends to offer and sell one or more competitive retail electric services approved as part of the Company's Choice Program ("Competitive Retail Electric Services"); and

WHEREAS, an agreement between the Company and the CRES Provider is needed as part of the Company's CRES Provider registration process to establish and govern the business relationship between the Parties under the Company's Choice Program.

NOW THEREFORE, in consideration of the promises and mutual covenants herein contained, and subject to the terms and conditions herein contained, the Parties hereby agree as follows:

Article 1. Definitions.

1.1 Whenever used herein, the following terms shall have the respective meanings set forth below, unless a different meaning is plainly required by the context:

- A. "Agreement" shall mean this Electric Distribution Company/Competitive Retail Electric Service Provider Agreement for Ohio Power Company's Ohio Retail Access Program.
- B. "Business Day" shall mean any calendar day or computer processing day in the Eastern U.S. time zone, on which the general office of the Company is open for business with the public.

- C. "Choice Program" shall mean the program implemented by the Public Utilities Commission of Ohio to provide electric utility customers with choice pursuant to Am. Sub. S. B. No. 3.
 - D. "Company's Retail Tariff" shall mean the Company's tariff on file with the PUCO, including all standard terms and conditions of service, terms and conditions of service for Choice Program participants, and open access distribution rate schedules.
 - E. "AEPCH" shall mean the Clearing House operated by the Company's service company or designee, which coordinates and communicates data related to such things as, but not limited to, enrollment and switching, estimation and reconciliation, settlement, and billing and reporting.
 - F. "CRES" shall mean Competitive Retail Electric Service.
 - G. "EBT" shall mean electronic business transactions.
 - H. "EDI" shall mean electronic data interchange.
 - I. "FERC" shall mean the Federal Energy Regulatory Commission or any successor thereto.
 - J. "PJM" shall mean PJM Interconnection LLC
 - K. "PJM OATT" shall mean The Open Access Transmission Tariff of the PJM Interconnection LLC or any successor thereto, on file with the FERC.
 - L. "PUCO" or "Commission" shall mean Public Utilities Commission of Ohio.
 - M. "VAN" or "VANS" shall mean a value added network used for electronic data interchange
- 1.2 Additional definitions controlling this Agreement are contained in the PUCO rules and orders and/or the Company's Retail Tariff, or appear in subsequent parts of this Agreement, as required.
- 1.3 Unless the context plainly indicates otherwise, words imparting the singular number shall be deemed to include the plural number (and vice versa); terms such as "hereof," "herein," "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Agreement rather than any particular part of the same.

Article 2. Scope of Agreement.

- 2.1 The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference.
- 2.2 This Agreement shall govern the business relationship between the Parties and constitutes a part of the Company's registration process, the successful completion of which is necessary before the CRES Provider is authorized to begin providing one or more Competitive Retail Electric Services in the Company's Ohio service territory.
- 2.3 This Agreement does not cover any transmission or ancillary services that are necessary to provide any Competitive Retail Electric Service. Any such services shall be obtained, either by the CRES Provider or its customer, in accordance with PJM's OATT, as required by the Company's Retail Tariff.
- 2.4 The Company's Retail Tariff is incorporated herein by reference and made a part hereof.
- 2.5 The Company's Electronic Data Interchange Standards as set forth in Appendix A is incorporated herein and made a part hereof.

Article 3. Representations and Warranties.

- 3.1 The CRES Provider represents and warrants that it is a _____, duly organized, validly existing and in good standing under the laws of the State of _____, and that it is authorized to do business, and is in good standing, in the State of Ohio.
- 3.2 The CRES Provider represents and warrants that it has completed all required actions relative to membership in PJM and is authorized by PJM to transact business with regard to transmission service.
- 3.3 Each person executing this Agreement for the respective Parties expressly represents and warrants that he or she has authority to bind the entity on whose behalf this Agreement is executed.
- 3.4 Each Party represents and warrants that (a) it has the full power and authority to execute this Agreement and to fulfill its terms and conditions; (b) the execution and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party;

and (c) this Agreement constitutes such Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.

- 3.5 Each Party represents and warrants that there are no actions at law, suits in equity, proceedings or claims pending or threatened against it before any federal, state, foreign or local court, tribunal or government agency or authority that might materially delay, prevent or hinder the performance of its obligations hereunder.
- 3.6 Each Party represents and warrants that it is and shall remain in compliance with all applicable laws and tariffs, including, without limitation, applicable rules and regulations of the Commission.
- 3.7 The CRES Provider represents and warrants that it has obtained a certification from the PUCO to provide one or more Competitive Retail Electric Services to retail customers located within the Company's service territory under the Choice Program, and that it will maintain that certification in good standing throughout the life of this Agreement.
- 3.8 The CRES Provider represents and warrants that the information provided by the CRES Provider in the Provider Registration Application is true and accurate. The CRES Provider further represents and warrants that, within 21 days of becoming aware of such facts, it will notify the Company in writing, in accordance with Article 18 hereof, if there are any changes in the financial or credit information supplied to the Company on the CRES Provider's Registration Application, or if there are any material changes to any other information supplied on that Application.
- 3.9 The CRES Provider represents and warrants that it will obtain and maintain written authorization from each of its customers or prospective customers before it seeks to obtain from the Company that customer's historical demand and energy usage data.
- 3.10 If either Party learns that any of the representations and/or warranties contained in this Agreement has been violated or are false or misleading in any material respect when made or deemed made or repeated, such Party shall immediately notify the other Party in writing.
- 3.11 All representations and warranties contained in this Article shall continue for the term of this Agreement.

Article 4. Obligations of the Parties.

- 4.1 The Company and the CRES Provider shall cooperate in order to ensure the provision of any Competitive Retail Electric Services by the CRES Provider to customers in accordance with PUCO orders, the Company's Retail Tariff, and PJM's OATT, as applicable. Each Party shall (a) exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement; and (b) carry out its duties in accordance with applicable recognized professional standards in accordance with the requirements of this Agreement.
- 4.2 The CRES Provider and the Company shall supply to each other all data, materials or other information specified in this Agreement, or that may otherwise be reasonably required by the CRES Provider, the Company, or the PUCO in connection with their obligations under this Agreement, in a thorough and timely manner. The CRES Provider will comply with any and all information and data transfer protocols (including EBT and EDI standards) that may be adopted, and modified from time to time, by either the Company, the AEPCH, or the PUCO. The CRES Provider will also comply with any requirements of both the AEPCH or the PUCO regarding the coordination and communication of information and/or data transfers.
- 4.3 CRES Provider agrees, at all times, to comply with the CRES Provider Credit Requirements contained in the Company's Retail Tariff. If CRES Provider's participation in the Company's Choice Program terminates for any reason, CRES Provider shall maintain any and all financial security instruments that CRES Provider was required to provide pursuant to Company's Retail Tariff, until such time as the Company has determined that the CRES Provider has fully satisfied and discharged all of its obligations to Company.
- 4.4 The CRES Provider shall (a) obtain and maintain a certification from the Commission and any licenses, permits or other authorizations from any other federal, state or local agencies required to offer and/or sell Competitive Retail Electric Service in the Company's Choice Program; (b) complete PJM membership requirements and remain a member in good standing with PJM; (c) complete all applications and/or forms including renewal applications, and execute any agreements required for the CRES Provider's participation in the Company's Choice Program; (d) demonstrate to the Company, prior to enrolling any customers, that the CRES Provider has the

requisite technical competence (*e.g.*, communication capabilities) to comply with EBT and EDI standards for the exchange of information, as set, and modified from time to time, by either the Company or the AEPCH; (e) if required, provide to the Company, and maintain during the term of this Agreement, the type (in the format and amount specified by the Company) of financial security (i.e. collateral) required by the Company to safeguard the Company and its customers from losses or additional costs incurred due to any non-performance on the part of the CRES Provider; and, pursuant to settlement processes defined in Article 10, (f) agree to remit payments for capacity, energy, unaccounted for energy or other PJM calculated ancillary charges for PJM initial settlement, the final 60-day load reconciliation or any other adjustments set forth in Article 10. The foregoing requirements represent conditions precedent to the Company's obligations hereunder.

- 4.5 To address continuity of service if the Company learns that any Schedule OAD GS-1, GS-2, GS-3 or GS-4 customer is Bankrupt (as defined below), the Company shall email and seek the CRES Provider's instructions regarding the CRES Provider's intent or decision to retain or terminate the applicable CRES customer contract. If the CRES Provider fails to respond to the Company's email inquiry regarding the OAD GS-1, GS-2, GS-3 or GS-4 customer within seven calendar (7) days, or any CRES Provider customer is Bankrupt and is on Schedule OAD RS, the Company shall drop any such customer's electric service account to the Company's standard service on behalf of the CRES Provider. Neither the OAD Tariff nor this Agreement requires the Company to be responsible for notifying CRES Providers of their customers' bankruptcies or be liable to the CRES Provider as a result of such bankruptcies. "Bankrupt" means with respect to the customer, such customer files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy.

Article 5. Load Profiles.

- 5.1 During the term of this Agreement, the Company intends to post average customer load profile information, for classes that will utilize load profiling to its AEP Ohio website, Customer Choice web page, Load Profile link. These profiles are for informational purposes only and the Company

makes no representations or warranties of any kind regarding either the availability or use of such load profiles.

Article 6. Confidentiality of Information.

- 6.1 Customer-specific information will not be provided to the CRES Provider without a customer's affirmative authorization via the AEP Ohio Letter of Authorization, and the CRES Provider shall keep confidential all customer-specific information supplied by the Company, unless the CRES Provider has the customer's affirmative authorization to do otherwise.
- 6.2 All Company information made available by the Company to the CRES Provider pursuant to this Agreement, including, without limitation, class load profile data and information regarding the Company's computer systems or communications systems, shall not be disclosed to third parties without the prior written consent from the Company.
- 6.3 If the CRES Provider becomes legally compelled to disclose any of the information required to be kept confidential pursuant to Sections 6.1 and 6.2, the CRES Provider shall immediately notify the Company of the requirement to disclose. In such case, the CRES Provider shall cooperate with the Company to enable it to obtain protective treatment of the information. If the CRES Provider is nonetheless required to disclose information the CRES Provider shall furnish only that portion of the information, which is legally required.

Article 7. Billing Options Offered to the CRES Provider's Customers.

- 7.1 The following billing options are available to the CRES Provider's customers under the Company's Choice Program: CRES Provider consolidated billing (limited pilot), separate Company and CRES Provider bills (Dual Billing); Company consolidated Rate Ready billing, and Company consolidated Bill Ready billing.
 - a. The CRES Provider will not send to the Company any CRES Provider messages of any type to present on any Company Rate Ready billing. The Company will take reasonable efforts to display any messages on the Company's Rate Ready billing pertaining to CRES Provider charges and those messages which are required by the regulatory or governmental agencies.
 - b. The CRES Provider may provide the Company with the CRES Provider Logo ("Logo") to display on the Company's consolidated customer bill. The Company will take reasonable efforts to

display the Logo provided that the Logo meets these criteria: 1) black and white only; 2) at least 600 dpi (dots per inch); 3) in jpg or gif file format only (other file formats will not be utilized); 4) logo image should be horizontal/rectangular in shape (rather than vertical or stacked) and no greater than 5/16 inch height by 1 1/8 inches in width. If the CRES Provider does not provide a Logo, a blank space will display on the consolidated bill.

7.2 Company Reimbursement to Certified Supplier for Customer Payments

Where the Company acts as the billing agent for the CRES Provider, the Company shall reimburse the CRES Provider for all energy charges, sales taxes, and other charges collected on behalf of the CRES Provider. The Company will strive to reimburse the CRES Provider within five (5) business days, following receipt of the customer's payment, when possible, but will not take more than 10 business days.

Article 8. Metering Service Options Offered to the CRES Provider's Customers.

- 8.1 The following retail metering service options will be available to some or all of the CRES Provider's customers under the Company's Choice Program: the provision by a meter service provider ("MSP") of an electric meter, including meter sale or rental, and/or physical metering service, including meter installation, removal, maintenance, repair, calibration, and testing; and the provision by a meter data management agent ("MDMA") of meter information service, including data collection, processing (validation, editing, and estimation), storage, and communication. Before the CRES Provider may offer any of these types of services to any of its customers, the CRES Provider shall execute the appropriate addendum to this Agreement that specifies the terms under which the option may be offered to the CRES Provider's customers.

Article 9. Electronic Data Interchange

- 9.1 Each Party may electronically transmit to or receive from the other Party any transaction set listed in the materials referenced in Appendix A. All EDI transactions shall be transmitted in accordance with the terms of the Electronic Data Interchange provisions of this Agreement and the standards set forth in Appendix A.
- 9.2 EDI Transactions will be transmitted electronically to each Party, and the terms and conditions listed in Appendix A, either directly or through any third party service provider ("Provider") with

which either Party may contract. For purposes of this Agreement, a “third party service provider” includes, but is not limited to, VANS, clearinghouses, and any key token security provider. Either Party may modify its election to use, not use, or change a Provider upon thirty (30) days prior written notice. A Level 2 connectivity test, as described in the Ohio EDI Implementation Guidelines, must be completed at least ten (10) Business Days in advance of the change to a new Provider. The applicable third party service Providers for the Company and the CRES Provider shall be listed in Appendix A.

9.2.1 Each Party shall be responsible for the costs and performance of any Provider with which it contracts.

9.2.2 Each Party shall be liable for the acts or omissions of its Provider while transmitting, receiving, storing, or handling EDI transactions, or performing related activities for such Party; provided that, if both Parties use the same Provider to effect the transmission and receipt of an EDI transaction, the originating Party shall be liable for the acts or omissions of such Provider as to such EDI transaction.

9.3 Each Party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to effectively and reliably transmit and receive EDI transactions.

9.4 Each Party shall properly use those security procedures, including those set forth in Appendix A, which are reasonably sufficient to ensure that all transmissions of EDI transactions are authorized and to protect its business records and data from improper access.

9.5 Each Party shall adopt as its signature, electronic identification consisting of symbol(s) or code(s) that are to be affixed to or contained in each EDI transaction or EDI transaction envelope transmitted by such Party (“Signatures”). Each Party agrees that any Signature of such Party affixed to or contained in any transmitted EDI transaction shall be sufficient to verify that such Party originated such EDI transaction. Neither Party shall disclose to any unauthorized person the Signatures of the other Party.

9.6 Level 2 testing certifications, as detailed in the Ohio Electric Implementation Guidelines, along with any added Company requirements, are prerequisites to Electronic Transactions. The Company reserves the right to add requirements as it deems necessary. The Company may require

additional testing in response to a change in the system environments including, but not limited to: installation of a new application system, installation of a new EDI translator or implementation of a new EDI version. Additional testing shall adhere to the testing procedures as determined by the Company.

- 9.7 EDI transactions shall not be deemed to have been properly received, and no EDI transaction shall give rise to any obligation, until accessible to the receiving Party at such Party's electronic mailbox designated in Appendix A.
- 9.8 Upon proper receipt of any EDI transaction, the receiving Party shall promptly and properly transmit a functional acknowledgment in return. A functional acknowledgement shall constitute conclusive evidence that an EDI transaction has been properly received.
- 9.9 If acceptance of an EDI transaction is required, any such EDI transaction which has been properly received shall not give rise to any obligation unless and until the Party initially transmitting such EDI transaction has properly received in return the agreed acceptance EDI transaction.
- 9.10 If any properly transmitted EDI transaction is received in an unintelligible or garbled form, the receiving Party shall promptly notify the originating Party (if identifiable from the received EDI transaction) in a reasonable manner. In the absence of such a notice, the originating Party's records of the contents of such EDI transaction shall control, unless the identity of the originating Party cannot be determined from the received EDI transaction.
- 9.11 EDI transactions and communications related to Electronic Transactions under this Agreement shall maintain the same degree of confidentiality, as they would have in the form of paper records.
- 9.12 Any EDI transaction properly transmitted pursuant to this Agreement shall be considered, in connection with any EDI transaction, to be a "writing" or "in writing"; and any such EDI transaction when containing, or to which there is affixed, a Signature ("Signed Document") shall be deemed for all purposes (a) to have been "signed" and (b) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

- 9.13 The conduct of the Parties pursuant to this Agreement, including the use of Signed Documents properly transmitted pursuant to the Agreement, shall, for all legal purposes, evidence a course of dealing and a course of performance accepted by the Parties in furtherance of this Agreement.
- 9.14 The Parties agree not to contest the validity or enforceability of Signed Documents under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the Party to be bound thereby. Signed Documents, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the Parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall contest the admissibility of copies of Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form.
- 9.15 Each Party agrees to maintain either a paper copy or the electronic data required to create a paper copy of each Electronic Transaction which it initiates during the term of this Agreement and for at least two (2) years thereafter.
- 9.16 Upon the reasonable request of either Party, the other Party shall make all of its Electronic Transactions relating to the performance of this Agreement available to the requesting Party for inspection during the term of this Agreement and for two (2) years thereafter.
- 9.17 In the event that the Party to whom a request is made fails to maintain an appropriate record of any Electronic Transaction or fails to make such record available to the requesting Party upon reasonable request therefore, the requesting Party's record, if any, of such Electronic Transaction shall be conclusive in any dispute regarding such Electronic Transaction.

Article 10. Settlement Procedure.

- 10.1 PJM performs settlements for transmission, capacity and energy obligations for CRES provider market participation on predefined intervals using metered customer load obligations and daily CRES Provider customer enrollment obligation data provided by AEP Ohio. AEP Ohio will make a best effort providing accurate load and customer obligation data. Energy is initially settled by PJM day-after load for CRES Providers, called "Settlement A." After final meter

readings are available to AEP Ohio, supplier load obligation variances are reported to PJM, and PJM performs a final 60-Day energy settlement for the market, called "Settlement B." Until such time PJM establishes processes outside of the 60-day final settlement process, AEP Ohio will resettle adjustments that are identified outside of the 60-day period and only adjustments affecting billing for a GS-2 customer or above with a total adjustment amount equal to or greater than 36,000 MWH or more in energy and limited to 12 months following the 60-day settlement B. Such adjustments shall be credited or assessed against each LSE in the AEP Ohio zone as applicable based upon corrected load shares during the adjustment period and as a condition of doing business in the Company's service territory all CRES Providers will be deemed to have consented to and agreed to permit any such resettlements to be completed by and through AEP Ohio and/or PJM. Except for a GS-2 customer or above with a total adjustment amount equal to or greater than 36,000 MWH or more in energy within the 12 months following the 60-Day energy settlement any errors identified outside of the 60-day process are considered closed and no corrected settlement shall be performed by AEP Ohio. For a GS-2 customer or above with a total adjustment amount equal to or greater than 36,000 MWH or more in energy within 12 months following the 60-Day energy settlement any errors identified outside of the twelve month period following the 60-Day energy settlement are considered closed and no corrected billing shall be performed by the CRES Provider, or on behalf of the CRES Provider by AEP Ohio for their assigned customers.

Article 11. Effective Date and Termination of Agreement.

- 11.1 The term of this Agreement shall commence as of the Effective Date and shall continue for a period of one year, unless sooner terminated as provided in Section 11.2. Notwithstanding the Effective Date, the CRES Provider acknowledges that it may not begin supplying any Competitive Retail Electric Services prior to the time it is in compliance with the provisions of this Agreement, PUCO orders and rules, and the Company's Retail Tariff.
- 11.2 This Agreement shall or may be terminated as follows:
 - 11.2.1 In the event the CRES Provider ceases to provide Competitive Retail Electric Service to all customers in the Company's service territory or otherwise withdraws from the Choice

Program, and so notifies the Company in writing in accordance with the notice requirements of Article 18, this Agreement shall terminate thirty (30) days following the date on which the CRES Provider ceases to have any active customers.

11.2.2 In the event of a Default (as defined in Section 12.1 of Article 12) by either Party ("Defaulting Party"), the other Party ("Non-Defaulting Party") may terminate this Agreement by providing written notice to the Defaulting Party, without prejudice to any remedies at law or in equity available to the Non-Defaulting Party by reason of the event of Default.

11.2.3 In the event that the Company elects in its sole discretion to terminate the Agreement by providing not less than sixty (60) days prior written notice to the CRES Provider.

11.3 Upon termination of this Agreement, the CRES Provider shall no longer be registered with the Company or authorized to provide Competitive Retail Electric Services in the Company's Choice Program.

11.4 The termination of this Agreement for any reason shall not relieve the Company or the CRES Provider of any obligation accrued or accruing prior to such termination.

11.5 Unless either party gives notice of termination thirty (30) days prior to October 31 ("Anniversary Date") of each renewal year, the Agreement shall automatically renew for successive one- year terms, provided there is no Event of Default hereunder.

Article 12. Events of Default and Remedies.

12.1 A CRES Provider is in default of its obligations under the Company's Choice Program if any one or more of the following "Events of Default" occurs:

12.1.1 The CRES Provider fails to perform any material obligation under this Agreement or the Company's Retail Tariff, the PUCO orders and rules, or PJM's OATT, within the requisite time frames, including, without limitation, any credit or security requirements;

12.1.2 The CRES Provider fails to fully pay an invoice from the Company within three Business Days following the due date of the invoice;

12.1.3 The CRES Provider is decertified by the PUCO or is otherwise declared ineligible to participate in the Ohio Customer Choice Program or the Company's Customer Choice Program;

12.1.4 The CRES Provider's action or inaction has or will jeopardize the operational integrity, safety, or reliability of the Company's transmission or distribution system;

12.1.5 The CRES Provider or its agent performing services on behalf of the CRES Provider is in default of any agreement with or requirement of PJM, is no longer member of PJM or any other required authorization of the CRES Provider is actually revoked;

12.1.6 The CRES Provider misuses the Company Consolidated and Bill-Ready Billing option by incorrectly using the name of the Company or the name of one of the Company's affiliates in a charge description or otherwise using this billing option in a misleading or defamatory manner;

12.1.7 The CRES Provider voluntarily withdraws from the Company's Customer Choice Program without providing at least ninety calendar days notice to the Company;

12.1.8 With respect to, if any, a CRES Provider's guarantor or issuer of a Letter of Credit or issuer of a Surety Bond: (i) if any representation or warranty made by such guarantor or issuer of a Letter of Credit or issuer of a Surety Bond in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated; (ii) the failure of such guarantor issuer of a Letter of Credit or issuer of a Surety Bond to make any payment required or to perform any other material covenant or obligation in any guaranty Letter of Credit or Surety Bond made in connection with this Agreement and such failure shall not be remedied within three (3) business days after written notice; (iii) such guarantor or issuer shall repudiate, disaffirm disclaim or reject, in whole or in part, or challenge the validity of, as applicable any guaranty Letter of Credit or Surety Bond; or (iv) the failure of a guarantor's guaranty the issuer's Letter of Credit or the issuer of a Surety Bond to be in full force and effect for purposes of this Agreement (other than in accordance with its terms) prior to the satisfaction of all obligations of the CRES Provider to which such guaranty Letter of Credit or Surety Bond shall relate without the written consent of the Company.

12.1.9 The CRES Provider or, if applicable, its guarantor the issuer of a Letter of Credit or the issuer of a Surety Bond files a voluntary petition in bankruptcy or otherwise commences, authorizes or acquiesces in the commence of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it; has an involuntary petition in bankruptcy filed against it; is insolvent; has a receiver, liquidator, administrator, trustee,

conservator or similar official appointed with respect to it or any substantial portion of its property or assets; or is generally unable to pay its debts as they fall due.

12.2 If an Event of Default with respect to a CRES Provider shall have occurred, the Non-Defaulting Party shall be entitled to, without limitation, (a) suspend enrolling any new CRES Provider customers and the CRES Provider shall not be permitted to enroll any new customers in the Company's Choice Program unless it re-registers in the Company's Customer Choice Program, pursuant to the requirements of Section # of the Company's Retail Tariff; (b) pursue any and all available legal and equitable remedies available to it, including proceeding against the financial security and collateral provided by the CRES Provider to the Company; and/or (c) terminate this Agreement by written notice to the CRES Provider, without any liability or responsibility whatsoever, except for obligations arising prior to the date of termination and the CRES Provider's customers shall be returned to the Company's Standard Offer Rate effective on each customer's next Meter Read Date after the date of termination. ____

Article 13. Dispute Resolution.

- 13.1 Any disputes involving transmission service shall be handled in accordance with PJM's OATT.
- 13.2 Disputes between a CRES Provider's customer and the CRES Provider shall be the sole responsibility of the CRES Provider. At the request of the PUCO, the Company may provide input to customer rate dispute processes to the extent necessary as determined by the PUCO.
- 13.3 Disputes between a customer of the Company and the Company shall be subject to the Company's existing customer dispute resolution procedures.

Article 14. Force Majeure.

- 14.1 Neither party shall be liable for any delay in performing or for failing to perform its respective obligations under this Agreement due to any event of Force Majeure including a catastrophic weather condition (but not fluctuations in temperature no matter how extreme), flood, fire, lightning, epidemic, quarantine restriction, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, walkout, lockout or other labor dispute, work stoppage caused by jurisdictional and/or similar disputes, restraint by court order or public authority, or action or non-action by, or inability to obtain authorization or approval from, any governmental authority, or any combination of these causes, which by the exercise of due diligence and foresight

such Party could not reasonably have been expected to avoid and which by the exercise of due diligence is unable to overcome. Financial loss or other economic hardship of either Party shall not constitute an event of Force Majeure under this Agreement.

- 14.2 The obligations of either Party, so far as they are affected by the Force Majeure event, shall be suspended during the continuation of such inability and circumstance and shall, so far as possible, be remedied within a reasonable period of time. During such Force Majeure event, both Parties shall take all reasonable steps to comply with this Agreement notwithstanding the occurrence of the event. This section shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest. It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be entirely within the discretion of the Party involved in the strike, walkout, lockout or other labor dispute.

Article 15. Regulatory Authorizations and Jurisdiction.

- 15.1 The Company and the CRES Provider are subject to, and shall comply with, all existing or future applicable federal, state and local laws, and all existing or future duly promulgated orders or other duly authorized actions of governmental authorities having jurisdiction over the matters covered by this Agreement.
- 15.2 This Agreement is subject to change in the future to reflect any relevant changes required by the PUCO or other Ohio state agency having jurisdiction, or by virtue of any federal or state law or regulation, and such changes shall be deemed to be binding upon the Parties, except where the right to terminate is exercised in accordance with the terms of this Agreement.
- 15.3 Any references to FERC-jurisdictional matters in this Agreement are intended solely for informational purposes and are not intended to accord any jurisdictional authority over such matters to the Commission. If anything stated herein is found by the FERC to conflict with or to be inconsistent with any provision of the Federal Power Act ("FPA"), or any rule, regulation, order or determination of the FERC under the FPA, the applicable FERC rule, regulation, order or determination of the FERC shall control.

Article 16. Limitation of Liability.

- 16.1 The Company shall have no duty or liability with respect to Competitive Retail Electric Service before it is delivered by a CRES Provider to an interconnection point with the applicable Company rate zone.
- 16.2 The Company does not guarantee continuous, regular and uninterrupted supply of service. The Company may, without liability, interrupt or limit the supply of service for the purpose of making repairs, changes, or improvements in any part of its system for the general good of the service or the safety of the public or for the purpose of preventing or limiting any actual or threatened instability or disturbance of the system. The Company is also not liable for any damages due to accident, strike, storm, riot, fire, flood, legal process, state or municipal interference, or any other cause beyond the Company's control. The Company shall have no duty or liability with respect to Competitive Retail Electric Service before it is delivered by a CRES Provider to an interconnection point with the applicable Company rate zone. After its receipt of Competitive Retail Electric Service at the point of delivery, the Company shall have the same duty and liability for transmission and distribution service to its customers receiving electric energy and capacity from the Company.
- 16.3 Except as expressly provided in the Company's Retail Tariff, the Company shall have no duty or liability to a CRES Provider providing Competitive Retail Electric Services arising out of or related to a contract or other relationship between a CRES Provider and a customer of the CRES Provider.
- 16.4 The Company shall have no liability to the CRES Provider or customer for supplier charge billing errors presented to the customer through Rate Ready or Bill Ready utility consolidated billing resulting from errors in EDI submission of billing determinants from the CRES Provider, or Rate Ready set-up of billing determinants by the CRES Provider.
- 16.5 The Company shall switch customers to the CRES Provider consistent with the PUCO orders and rules and the Company's Retail Tariff, and shall have no liability to the CRES Provider arising out

of or related to a customer's decision to switch among competitive service providers and/or the Company, unless the Company is grossly negligent in switching or failing to switch a customer.

- 16.6 The Company shall not have any duties or liabilities other than those specifically set forth in this Agreement. The Company shall have no liability to the CRES Provider for any consequential, indirect, incidental, special, ancillary, punitive, exemplary, or other damages, including lost profits, lost revenues, or other monetary losses arising out of any errors or omissions.

Article 17. Indemnification.

- 17.1 To the fullest extent permitted by law, the CRES Provider shall defend, indemnify and hold harmless the Company from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including the Company's employees or any third parties, or any other liability incurred by the Company, including reasonable attorneys' fees, relating to performance under this Agreement, except to the extent that a court of competent jurisdiction determines that the losses, expenses or damage were caused wholly or in part by any grossly negligent or willful act or omission of the Company.
- 17.2 The CRES Provider's obligation to defend, indemnify and hold harmless under this Article shall survive termination of this Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the CRES Provider under any statutory scheme, including any workers compensation acts, disability benefit acts or other employee benefit acts.

Article 18. Notices.

- 18.1 Any written notice required or appropriate hereunder shall be deemed properly made, given to, or served on the Party to which it is directed, when sent by overnight mail or United States mail, postage prepaid, and addressed as follows:

If to the CRES Provider:

If to the Company:

Ohio Choice Operations
AEP Ohio
700 Morrison Road
Gahanna, Ohio 43230

18.2 Notice of any change in any of the above addresses shall be given in writing in the manner specified in this Article.

18.3 Notices received after the close of a Business Day shall be deemed received on the next Business Day.

Article 19. Not a Joint Venture.

19.1 Unless specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be separate and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be liable individually and severally for its own obligations under this Agreement.

Article 20. Conflicts Between this Agreement and the Company's Retail Tariff or PJM's OATT.

20.1 Should a conflict exist or develop between the provisions of this Agreement and the relevant provisions of the Company's Retail Tariff or PJM's OATT, as approved by the PUCO and the FERC, respectively, the provisions of the Company's Retail Tariff and/or PJM's OATT shall prevail.

Article 21. Amendments or Modifications.

21.1 Except as provided in Section 13.2 of Article 13 of this Agreement, no amendment or modification shall be made to this Agreement, in whole or in part, except by an instrument in writing executed by authorized representatives of the Parties, and no amendment or modification shall be made by course of performance, course of dealing or usage of trade.

Article 22 Taxes.

- 22.1 All present or future federal, state, municipal or other taxes imposed on the CRES Provider by any taxing authority shall be the liability of the CRES Provider. The CRES Provider shall pay all such taxes to the applicable taxing authority to the extent required or permitted by law. If the Company is required to remit any taxes imposed upon customers directly to any applicable taxing authority, other than taxes collected by the Company directly from the CRES Provider's customers, then the CRES Provider shall indemnify the Company against, and will pay the Company for, all such tax amounts upon demand.

Article 23. Waiver of Rights.

- 23.1 No term or condition of this Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to such excuse. The failure of either Party to insist in any one or more instances upon strict performance of any provisions of this Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect.

Article 24. General Provisions.

- 24.1 The Parties agree that the normal rule of construction, to the effect that any ambiguities are to be resolved against the drafting Party, shall not be employed in the interpretation of this Agreement.
- 24.2 To the extent not subject to the exclusive jurisdiction of the FERC, the formation, validity, interpretation, execution, amendment and termination of this Agreement shall be governed by the laws of the State of Ohio.
- 24.3 The headings contained in this Agreement are used solely for convenience and do not constitute a part of the Agreement between the Parties hereto, nor should they be used to aid in any manner in the construction of this Agreement.
- 24.4 This Agreement is intended solely for the benefit of the Parties hereto. Nothing in this Agreement shall be construed to create any duty, or standard of care with reference to, or any liability to, any person not a Party to this Agreement.

- 24.5 Neither Party shall have any right, power, or authority to enter any agreement or undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 24.6 Cancellation, expiration or early termination of this Agreement shall not relieve the Parties of obligations that by their nature survive such cancellation, expiration or termination, including, without limitation, payment of any amounts due, warranties, remedies, promises of indemnity and confidentiality.
- 24.7 Should any provision of this Agreement be held invalid or unenforceable, such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any other provision hereof, unless it materially changes the Agreement of the Parties.
- 24.8 Each of the Parties hereto acknowledges that it has read this Agreement, and the Company's Retail Supplier Terms and Conditions of Service, understands them, and agrees to be bound by their terms. This Agreement is intended by the Parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement. All prior written or oral understandings or offers pertaining to this Agreement are hereby abrogated and withdrawn.

Article 25. Assignment and Delegation.

- 25.1 This Agreement may not be assigned by either the Company or the CRES Provider without the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld. However, the Company may assign any or all of its rights and obligations under this Agreement, without the CRES Provider's consent, to any entity succeeding to all or substantially all of the transmission and/or distribution facilities of the Company.
- 25.2 When duly assigned in accordance with the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the assignee. Any assignment in violation of this Article shall be void.

***** Signatures on following page. *****

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officials on the dates written below, to be effective as of the Effective Date.

Ohio Power Company
(the "Company")

(the "CRES Provider")

By: _____

By: _____

Printed
Name: Karen L. Sloneker

Printed
Name: _____

Title: Director, Customer Services
& Marketing

Title: _____

Date: _____

Date: _____

Attachment G –SSO Redline Agreement

Exhibit DBW -4

MASTER STANDARD SERVICE OFFER (“SSO”) SUPPLY AGREEMENT

BY AND BETWEEN

OHIO POWER COMPANY

AND

EACH SSO SUPPLIER SET FORTH ON ATTACHMENT A HERETO

_____, 20__

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MASTER SSO SUPPLY AGREEMENT

This Master SSO Supply Agreement (“Agreement”), dated as of _____, 201__ (“Effective Date”), is by and between Ohio Power Company, an Ohio corporation with offices at 1 Riverside Plaza, Columbus, Ohio (“AEP Ohio”) and each of the suppliers listed on Attachment A severally, but not jointly, (each an “SSO Supplier” and collectively “SSO Suppliers”). AEP Ohio and each SSO Supplier are hereinafter referred to individually as a “Party” or collectively as the “Parties”).

RECITALS

WHEREAS, AEP Ohio is an Ohio public utility that engages, inter alia, in providing Standard Service Offer supply within its service territory; and

WHEREAS, the PUCO found that it would serve the public interest for AEP Ohio to secure SSO Supply through a competitive bidding process; and

WHEREAS, each SSO Supplier was one of the winning bidders in a Solicitation for SSO Supply; and

WHEREAS, the PUCO has authorized AEP Ohio to contract with winning bidders for SSO Supply to serve SSO Load in accordance with the terms of this Agreement; and

WHEREAS, the PUCO subsequently ordered that “PIPP Customers” (as defined herein) be removed from taking service as an “SSO customer” (as defined herein) under this Agreement, so modifications to this Agreement have been made to exclude the PIPP Customers consistent with the PUCO order; and,

WHEREAS, AEP Ohio shall be responsible for the provision of any renewable energy resource requirement as set forth in Ohio Rev. Code Ann. Sections 4928.64 and 4928.65 and regulations promulgated in respect thereto; and

WHEREAS, each SSO Supplier will satisfy its Capacity obligations under the PJM Agreements associated with its respective SSO Supplier Responsibility Share in accordance with the PJM Agreements, including, without limitation, through participation in the base residual auction and incremental auctions administered by PJM; and

WHEREAS, AEP Ohio and the SSO Suppliers desire to enter into this Agreement setting forth their respective obligations concerning the provision of SSO Supply.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties intending to be legally bound hereby agree as follows:

ARTICLE 1

DEFINITIONS

The following definitions and any terms defined in this Agreement shall apply hereunder.

“AEP Load Zone” means that set of electrical locations, designated by PJM as Pnode ID number 8445784, determined pursuant to the applicable PJM Tariff, rules, agreements and procedures, representing the aggregate area of consumption that includes AEP Ohio within PJM and used for the purposes of scheduling, reporting withdrawal volumes, and settling Energy transactions at aggregated load levels, to facilitate Energy market transactions.

“AEP Ohio Indemnified Party” has the meaning set forth in Section 10.1(a).

“Affiliate” means, with respect to any Person, any other Person (other than an individual) that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“Ancillary Services” has the meaning set forth in the PJM Agreements.

“Bankrupt” means with respect to any entity, that such entity (i) files a petition or otherwise commences or acquiesces in a proceeding under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition is not withdrawn or dismissed within thirty (30) days after such filing, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is unable to pay its debts as they fall due.

“Bankruptcy Code” means those laws of the United States of America related to bankruptcy, codified and enacted as Title 11 of the United States Code, entitled “Bankruptcy” and found at 11 U.S.C. § 101 et seq.

“Billing Period” means hour ending 0100 on the first day of a calendar month through hour ending 2400 on the last day of the applicable calendar month.

“Billing Statement” has the meaning set forth in Section 6.1(a).

“Business Day” means any day except a Saturday, Sunday or a day PJM declares to be a holiday, as posted on the PJM website. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. prevailing Eastern Time, unless otherwise agreed to by the Parties in writing.

“Capacity” means “Unforced Capacity” as set forth in the PJM Agreements, or any successor measurement of capacity obligation of an LSE as may be employed in PJM (whether set forth in the PJM Agreements or elsewhere).

“Charge” means any fee, charge, PJM charge, the Energy Share Adjustment if in favor of AEP Ohio, or any other amount that is billable by AEP Ohio to the SSO Supplier under this Agreement.

“Commercial/Industrial Customer” means a Customer taking service under one of AEP Ohio’s non-residential rates (Rate GS-1, Rate GS-2, Rate GS-3, Rate GS-4, Rate GS-TOD, GS1-TOD, GS-2-TOD, Rate COGEN/SPP, Rate EHG, Rate EHS, or Rate SS.)

“Costs” mean, with respect to the Non-Defaulting Party, all reasonable attorney’s fees, brokerage fees, commissions, PJM charges and other similar transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations or entering into new arrangements which replace this Agreement; and all reasonable attorney’s fees and expenses incurred by the Non-Defaulting Party in connection with the termination of this Agreement as between AEP Ohio and the applicable SSO Supplier.

“Credit Limit” means an amount of credit, based on the creditworthiness of an SSO Supplier or its Guarantor, if applicable, determined pursuant to Section 5.6, granted by AEP Ohio to such SSO Supplier to be applied towards the Total Exposure Amount for such SSO Supplier.

“CRES Supplier” means a Person that is duly certified by the PUCO to offer and to assume the contractual and legal responsibility to provide Standard Service Offer pursuant to retail open access programs approved by the PUCO to Customers who are not SSO Customers of AEP Ohio.

“Cross Default Amount” means an amount equal to five percent (5%) of a Defaulting Party’s or Defaulting Party’s Guarantor’s (as applicable) Tangible Net Worth.

“Customer” means any Person who receives distribution service from AEP Ohio in accordance with the Legal Authorities.

“Default Allocation Assessment” has the meaning set forth in the PJM Agreements.

“Default Damages” means direct damages, calculated in a commercially reasonable manner, that the Non-Defaulting Party incurs as a result of an Event of Default by the Defaulting Party. Default Damages may include: (i) the positive difference (if any) between the price of SSO Supply hereunder and the price at which AEP Ohio or the SSO Supplier is able to purchase or sell (as applicable) SSO Supply (or any components of SSO Supply it is able to purchase or sell) from or to third parties including other SSO Suppliers and PJM; (ii) Emergency Energy charges; (iii) additional transmission or congestion charges incurred to purchase or sell SSO Supply; and (iv) Costs.

“Defaulting Party” has the meaning set forth in Section 7.1.

“Delivery Period” means the Original Delivery Period, unless this Agreement is terminated earlier in accordance with the provisions hereof.

“Delivery Point” means the AEP Load Zone as defined within PJM.

“Early Termination” has the meaning set forth in Section 2.3.

“Early Termination Date” means, as between AEP Ohio and the applicable SSO Supplier, the date upon which an Early Termination becomes effective as specified in Section 7.2(b).

“Effective Date” has the meaning set forth in the preamble.

“Emergency” means (i) an abnormal system condition requiring manual or automatic action to maintain system frequency, or to prevent loss of firm load, equipment damage, or tripping of system elements that could adversely affect the reliability of an electric system or the safety of persons or property; (ii) a condition that requires implementation of emergency operations procedures; or (iii) any other condition or situation that AEP Ohio, transmission owner(s) or PJM deems imminently likely to endanger life or property or to affect or impair AEP Ohio’s electrical system or the electrical system(s) of other Person(s) to which AEP Ohio’s electrical system is directly or indirectly connected (a “Connected Entity”). Such a condition or situation may include potential overloading of AEP Ohio’s subtransmission or distribution circuits, PJM minimum generation (“light load”) conditions, or unusual operating conditions on either AEP Ohio’s or a Connected Entity’s electrical system, or conditions such that AEP Ohio is unable to accept Energy from the SSO Supplier without jeopardizing AEP Ohio’s electrical system or a Connected Entity’s electrical system.

“Emergency Energy” has the meaning set forth in the PJM Agreements.

“Energy” means electric energy of the character commonly known as three-phase, sixty-hertz electric energy that is delivered at the nominal voltage of the Delivery Point, expressed in MWh.

“Energy Share Adjustment” means for any Billing Period, the monetary amount due to an SSO Supplier or AEP Ohio, as the case may be, in order to reconcile any difference between the Estimated Monthly Energy Share used for the purpose of calculating estimated payments made to such SSO Supplier for a given month and the Final Monthly Energy Share used for calculating the final payments due to the SSO Supplier for such month, as more fully described in Article 6.

“Estimated Monthly Energy Share” means a quantity of Energy expressed in MWh which, for any Billing Period, is the preliminary calculation of the SSO Supplier’s SSO Supplier Responsibility Share.

“Event of Default” has the meaning set forth in Section 7.1.

“Excess Collateral” has the meaning set forth in Section 5.7.

“FERC” means the Federal Energy Regulatory Commission or such succeeding organization.

“Final Monthly Energy Share” means a quantity of Energy expressed in MWh which, for any

Billing Period, is the Estimated Monthly Energy Share adjusted for any billing or metering errors found subsequent to the calculation of the Estimated Monthly Energy Share of which PJM is notified prior to the last date on which PJM issues a settlement statement for a previous operating day for the Billing Period.

“Firm Transmission Service” has the meaning ascribed to “Network Integration Transmission Service” under the PJM Agreements. In the event the PJM Agreements are modified such that “Network Integration Transmission Service” is no longer offered, Firm Transmission Service means the type of transmission service offered under the PJM Agreements that is accorded the highest level of priority for scheduling and curtailment purposes.

“Forward Market Prices” means forward market prices for a specific geographic Market Price Hub, as adjusted by AEP Ohio to reflect impact of load shape.

“Gains” means an amount equal to the present value of the economic benefit to the Non-Defaulting Party, if any, exclusive of Costs, resulting from an Early Termination.

“Governmental Authority” means any federal, state, local, municipal or other governmental entity, authority or agency, department, board, court, tribunal, regulatory commission, or other body, whether legislative, judicial or executive, together or individually, exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power over a Party to this Agreement.

“Guarantor” means any Person having the authority and agreeing to guarantee an SSO Supplier’s financial obligations under this Agreement, provided that such party meets AEP Ohio’s creditworthiness requirements for SSO Suppliers.

“Guaranty” means the ICT Guaranty or the Total Exposure Amount Guaranty, as applicable.

“ICR Collateral” has the meaning set forth in Section 5.4(d).

“ICRT” has the meaning set forth in Section 5.3.

“ICT Guaranty” means a guaranty, in the form substantially set forth in Attachment D, provided by a Guarantor in favor of AEP Ohio guaranteeing an SSO Supplier’s financial obligations in connection with ICT.

“Indemnification Losses” has the meaning set forth in Section 10.1(a).

“Indemnified Supplier” has the meaning set forth in Section 10.1(b).

“Independent Credit Requirement or ICR” means an amount per Tranche required as security under Section 5.3, to mitigate the risk to AEP Ohio of Energy price movements between the date of an Early Termination caused by an Event of Default by an SSO Supplier and the date the final calculation of Default Damages owing to AEP Ohio under Section 7.2(c) is made.

“Independent Credit Threshold or ICT” means an amount of credit, based on the creditworthiness of an SSO Supplier or its Guarantor, if applicable, determined pursuant to Section 5.4, granted by AEP Ohio to such SSO Supplier to be applied towards the satisfaction of such SSO Supplier’s Independent Credit Requirement.

“Interest Rate” means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate (“Prime Rate”) as may be published from time to time in the Federal Reserve Statistical Release H.15; or (b) the maximum lawful interest rate.

“Kilowatt or kW” means a unit of measurement of useful power equivalent to 1,000 watts.

“Kilowatt-hour or kWh” means one kilowatt of electric power used over a period of one hour.

“Legal Authorities” means, generally, those federal and Ohio statutes and administrative rules and regulations that govern the electric utility industry in Ohio.

“Letter of Credit” means a standby irrevocable letter of credit in the form set forth in Attachment E, or in such other form as AEP Ohio deems acceptable in its sole discretion, and in each case conforming to all of the requirements specifically set forth in Section 5.9(b).

“LIBOR” means the rates published daily as the London Inter-Bank Offered Rates for U.S. dollar deposits. For discounting purposes, the rates will be converted into a series of monthly rates representing the equivalent forward LIBOR rate from the valuation date to the month of delivery.

“Lighting Customer” means a Customer taking service under AEP Ohio’s lighting rates (Ohio Power Rate Zone: Rate AL or Rate SL; Columbus Southern Power Rate Zone: Rate AL or Rate SL).

“Load Serving Entity or LSE” has the meaning set forth in the applicable PJM Agreements.

“Losses” means an amount equal to the present value of the economic loss to the Non-Defaulting Party, if any, exclusive of Costs, resulting from an Early Termination.

“Margin” means, at any time, the amount by which the Total Exposure Amount exceeds the Credit Limit of the SSO Supplier or its Guarantor.

“Margin Call” has the meaning set forth in Section 5.6(e).

“Margin Collateral” has the meaning set forth in Section 5.6(e).

“Margin Interest Rate” means the Federal Funds Effective Rate, defined below, for the period of time the funds are on deposit. The Federal Funds Effective Rate is published daily on the Federal Reserve website at: <http://federalreserve.gov/releases/h15/update/>, or its successor.

“Mark-to-Market Exposure Amount” means an amount calculated daily for each SSO Supplier reflecting the exposure to AEP Ohio due to fluctuations in market prices for Energy as set forth in Section 5.5.

“Market Price Hub” means a liquid pricing point located within PJM’s geographic footprint.

“Minimum Margin Threshold” means \$100,000.

“Minimum Rating” means a minimum senior unsecured debt rating (or, if unavailable, corporate or issuer rating) as defined in Section 5.4(a).

“MW” means megaWatt.

“MWh” means megaWatt hour.

“NERC” means the North American Electric Reliability Corporation or its successor.

“Non-Defaulting Party” means (i) where an SSO Supplier is the Defaulting Party, AEP Ohio; (ii) where AEP Ohio is the Defaulting Party with respect to an Event of Default, the SSO Supplier to which the applicable obligation was owed.

“Ohio Sales and Use Taxes” has the meaning set forth in Section 12.8.

“Original Delivery Period” has the meaning set forth in Attachment A.

“Other Energy Supply Agreement” has the meaning set forth in Section 7.3(c).

“Party” has the meaning set forth in the preamble to this Agreement, and includes such Party’s successors and permitted assigns.

“Performance Assurance” means collateral in the form of cash, letters of credit, or other security reasonably acceptable to the requesting party.

“Person” means an individual, partnership, joint venture, corporation, limited liability company, trust, association or unincorporated organization, any Governmental Authority, or any other entity.

“PIPP Customers” means Customers that take service under AEP Ohio’s percentage of income payment plan.

“PJM” means PJM Interconnection, L.L.C. or any successor organization thereto.

“PJM Agreements” means the PJM OATT, PJM Operating Agreement, PJM RAA and any other applicable PJM manuals or documents, or any successor, superseding or amended versions thereof that may take effect from time to time.

“PJM E-Account” means an account obtainable through PJM which provides access to web-based PJM scheduling, settlement, accounting, marketing and other informational and economic systems.

“PJM OATT or PJM Tariff” means the Open Access Transmission Tariff of PJM or the successor, superseding or amended versions of the Open Access Transmission Tariff that may take effect from time to time.

“PJM Operating Agreement” means the Amended and Restated Operating Agreement of PJM or the successor, superseding or amended versions of the Amended and Restated Operating Agreement that may take effect from time to time.

“PJM RAA” means the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region or any successor, superseding or amended versions of the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region that may take effect from time to time.

“Price” means, with respect to each SSO Supplier, the price in \$/MWh set forth in Attachment A, resulting from AEP Ohio’s Solicitation for the opportunity to provide SSO Supply. The Price is the basis for financial settlement of SSO Supply supplied by an SSO Supplier for SSO Customers under this Agreement.

“PUCO” means the Public Utilities Commission of Ohio, or any successor thereto.

“Residential Customer” means a Customer taking service under AEP Ohio’s residential rates (Ohio Power Rate Zone: Rate RS, Rate RS-ES, Rate RS-TOD or Rate RDMS; Columbus Southern Power Rate Zone: Rate R-R, Rate R-R-1, Rate RLM, Rate RS-ES, Rate RS-TOD, Rate RS-TOD2, Rate CPP or Rate RS-RTP).

“Seasonal Billing Factor” means a numerical factor, as set forth in Attachment B, one amount applicable during the summer months of June through September, and one amount applicable during the non-summer months of October through May, applied to the Price in accordance with the provisions of Article 6 and thereby used to adjust AEP Ohio’s payments to SSO Suppliers.

“Settlement Amount” means the net amount of the Losses or Gains, and Costs, expressed in U.S. Dollars, which the Non-Defaulting Party incurs as a result of Early Termination, calculated from the Early Termination Date through the end of the Original Delivery Period. For purposes of calculating the Settlement Amount, the quantity of Energy (and other components of SSO Supply) provided for under this Agreement for the period following the Early Termination Date through the remainder of the Original Delivery Period will be determined by the Non-Defaulting Party in a commercially reasonable manner reflecting estimated SSO Load for un-switched customers as of the Early Termination Date based on the then most recent load switching report filed by AEP Ohio with the PUCO as of the Early Termination Date. The calculation of Settlement Amount with respect to an Early Termination shall exclude Default Damages calculated pursuant to Section 7.3(a).

“Solicitation” means the auction by which the counterparty, quantity, pricing and other terms of this Agreement are established.

“Special Contract Customers” means Customers that take retail generation service from AEP Ohio under terms and conditions different than the otherwise applicable tariff.

“Specified Indebtedness” with respect to a Party means as of any date, without duplication, (i) all obligations of such Party for borrowed money, (ii) all indebtedness of such Party for the deferred purchase price of property or services purchased (excluding current accounts payable incurred in the ordinary course of business), (iii) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired, (iv) all indebtedness under leases which shall have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases in respect of which such Party is liable as lessee, (v) the face amount of all outstanding letters of credit issued for the account of such Party (other than letters of credit relating to indebtedness included in indebtedness of such Party pursuant to another clause of this definition) and, without duplication, the unreimbursed amount of all drafts drawn thereunder, (vi) indebtedness secured by any lien on property or assets of such Party, whether or not assumed (but in any event not exceeding the fair market value of the property or asset), (vii) all direct guarantees of indebtedness referred to above of another Party, (viii) all amounts payable in connection with mandatory redemptions or repurchases of preferred stock or member interests or

other preferred or priority equity interests and (ix) any obligations of such Party (in the nature of principal or interest) in respect of acceptances or similar obligations issued or created for the account of such Party.

“SSO Customers” means Residential Customers, Commercial/Industrial Customers, Lighting Customers, Special Contract Customers, and any other Customer taking retail generation service from AEP Ohio, but excluding PIPP Customers.

“SSO Load” means the full electricity requirements for SSO Service of SSO Customers.

“SSO Service” means Standard Service Offer service that is not provided by a CRES Supplier.

“SSO Supplier” has the meaning set forth in the preamble.

“SSO Supplier Responsibility Share” means, for each SSO Supplier, the fixed percentage share of the SSO Load for which the SSO Supplier is responsible as set forth in Attachment A.

“SSO Supply” means unbundled Energy, Capacity and Ancillary Services, including, to the extent not expressly assumed by AEP Ohio pursuant to Section 3.2, all transmission and distribution losses and congestion and imbalance costs associated with the provision of such services, as measured and reported to PJM, and such other services or products that an SSO Supplier may be required to provide, by PJM or other Governmental Authority, in order to meet the requirements of SSO Service.

“Standard Service Offer” means a market-based standard service offer provided by AEP Ohio under PUCO tariffs of all competitive retail electric services necessary to maintain essential electric service to Customers, including Energy, Capacity, Ancillary Services and Firm Transmission Service, including all transmission and distribution losses, congestion and imbalance costs associated with the provision of the foregoing services, other obligations or responsibilities currently imposed or that may be imposed by PJM, and such other services or products that are provided by a CRES Supplier to fulfill its obligations to serve customer load, as required by Section 4928.141 of the Ohio Revised Code.

“Tangible Net Worth” or “TNW” means total assets less intangible assets and total liabilities. Intangible assets include benefits such as goodwill, patents, copyrights and trademarks, each as would be reflected on a balance sheet prepared in accordance with generally accepted accounting principles.

“Taxes” have the meaning set forth in Section 12.8.

“Term” has the meaning set forth in Section 2.1.

“Termination Payment” has the meaning set forth in Section 7.3(c).

“Total Exposure Amount” means an amount calculated daily for each SSO Supplier reflecting the total credit exposure to AEP Ohio and consisting of the sum of: (i) the Mark-to-Market Exposure Amount arising under this Agreement; (ii) any amount(s) designated as the “mark-to-market exposure amount” (or similar designation) under any Other Energy Supply Agreement; and (iii) the amount designated as the “credit exposure” (or similar designation) under any Other Energy

Supply Agreement; less (iv) amounts due to such SSO Supplier pursuant to Section 6.1; provided that in the event the amount calculated for any day is a negative number, it shall be deemed to be zero for such day.

“Total Exposure Amount Guaranty” means a guaranty, in substantially similar form as set forth in Attachment D, provided by a Guarantor in favor of AEP Ohio guaranteeing an SSO Supplier’s financial obligation with respect to its Total Exposure Amount.

“Tranche” means a fixed percentage share of the SSO Load as determined for the purposes of the Solicitation conducted to procure SSO Supply for the SSO Load.

ARTICLE 2

TERM AND TERMINATION

2.1 Term

The Term of this Agreement shall begin on the Effective Date and extend through and include the end of May 31, 201__ (“Term”) unless terminated earlier or extended pursuant to the terms of this Agreement; provided, however, that the provision of SSO Supply by SSO Suppliers will commence on the period set forth in the applicable Attachment A as the Original Delivery Period starting at 12:01 a.m. prevailing Eastern Time and ending though the date specified in Attachment A.

2.2 Mutual Termination

AEP Ohio and any SSO Supplier may terminate this Agreement at any time during the Term on such terms and under such conditions as they mutually agree.

2.3 Early Termination

This Agreement may be terminated by a Party prior to the end of the Term due to an occurrence of an Event of Default and the declaration of an Early Termination Date by the Non-Defaulting Party pursuant to Section 7.2 (an “Early Termination”).

2.4 Effect of Termination

The applicable provisions of this Agreement shall continue in effect and survive the termination of this Agreement to the extent necessary to provide for final accounting, billing,

billing adjustments, resolution of any billing disputes, realization of any collateral or other security, set-off, final payments, or payments pertaining to liability and indemnification obligations arising from acts or events that occurred in connection with this Agreement during the Term.

ARTICLE 3

GENERAL TERMS AND CONDITIONS

3.1 SSO Supplier's Obligations to Provide SSO Supply and Other Obligations

Each SSO Supplier hereby agrees, severally, but not jointly, as follows:

(a) during the Delivery Period, such SSO Supplier shall sell, deliver and provide SSO Supply on a firm and continuing basis in order to meet its SSO Supplier Responsibility Share, in accordance with this Agreement and the PJM Agreements;

(b) (i) except with respect to Capacity, each SSO Supplier's obligation under Section 3.1(a) will result in physical delivery of SSO Supply and not financial settlement; (ii) the quantity of SSO Supply that such SSO Supplier must deliver will be determined by the requirements of the SSO Load, which may be different than the amount indicated in the Solicitation; and (iii) this Agreement does not provide for an option by such SSO Supplier with respect to the quantity of SSO Supply to be delivered;

(c) in connection with the provision of SSO Supply at the Delivery Point each SSO Supplier shall be responsible for, in proportion to its SSO Supplier Responsibility Share, all costs and expenses in Attachment F, PJM billing statement line items, identified as the responsibility of the SSO Supplier, and any other costs and expenses related to transmission and Ancillary Services, unless otherwise expressly indicated otherwise in this Agreement.

(d) during the Term, each SSO Supplier is responsible, at its sole cost and expense, for any changes in PJM products and pricing required for the delivery of its SSO Supplier Responsibility Share, including all other costs and expenses related to transmission and Ancillary Services in connection with the provision of SSO Supply in proportion to its SSO Supplier Responsibility Share, except for any changes to products or the pricing of such products that are the responsibility of AEP Ohio pursuant to Section 3.2;

(e) each SSO Supplier is responsible for all transmission and distribution losses and congestion and imbalance costs incurred to supply its SSO Supplier Responsibility Share;

(f) each SSO Supplier shall be at all times during the Delivery Period (i) a member in good standing of PJM and (ii) qualified by PJM as a “Market Buyer” and “Market Seller” pursuant to the PJM Agreements, and (iii) qualified as a PJM “Load Serving Entity”;

(g) each SSO Supplier shall be responsible, and be liable, to PJM for the performance of its LSE obligations associated with the provision of SSO Supply under this Agreement;

(h) each SSO Supplier shall have and maintain, throughout the Delivery Period, FERC authorization to make sales of Energy, Capacity, and Ancillary Services at market-based rates within PJM; and

(i) each SSO Supplier shall deliver SSO Supply to the Delivery Point under this Agreement free and clear of any and liens, security interests, claims and encumbrances or any interest therein or thereto by any Person.

3.2 AEP Ohio’s Obligation to Take SSO Supply and other Obligations

AEP Ohio hereby agrees as follows:

(a) during the Delivery Period, AEP Ohio shall purchase and accept SSO Supply provided by an SSO Supplier pursuant to Section 3.1 at the Delivery Point and shall make payment to the SSO Supplier based on the Price; and

(b) during the Delivery Period, AEP Ohio shall be a member in good standing of PJM; and

(c) during the Delivery Period, AEP Ohio shall be responsible for the provision of Firm Transmission Service from the Delivery Point; and

(d) AEP Ohio shall be responsible, at its sole costs and expense, for:

(i) charges and credits assessed under, Schedule 1A (Transmission Owner Scheduling, System Control and Dispatch Services), Schedule 2 (Reactive Supply

and Voltage Control from Generation or Other Sources Services), “Network Integration Transmission Service (NITS)” under the PJM Agreements, and Schedule 12 (Transmission Enhancement Charge) of the PJM Tariff;

(ii) other non-market-based costs, fees or charges imposed on or charged to AEP Ohio by FERC or a regional transmission organization, independent transmission operator, or similar organization approved by FERC; and

(iii) with regard to the foregoing, such services and schedules as they may be modified or superseded from time to time;

(e) AEP Ohio will be responsible for (i) metering, billing and delivery with respect to SSO Customers (and SSO Suppliers will have no responsibility with respect thereto) and (ii) distribution services (and SSO Suppliers will have no responsibility with respect thereto); and

(f) AEP Ohio will be responsible, at its sole cost and expense, for the provision of any renewable energy resource requirement as set forth in Ohio Rev. Code Ann. Sections 4928.64 and 4928.65 and regulations promulgated in respect thereto.

3.3 PJM E-Accounts

Each SSO Supplier and AEP Ohio shall work with PJM to establish any PJM E-Accounts necessary for such SSO Supplier to provide SSO Supply. Each SSO Supplier may manage its PJM E-Accounts in its sole discretion; provided such SSO Supplier acts in accordance with the standards set forth in the PJM Agreements.

3.4 Reliability Guidelines

Each Party agrees to adhere to the applicable operating policies, criteria and guidelines of the NERC, PJM, their successors, and any regional and sub-regional requirements.

3.5 Regulatory Authorizations

(a) AEP Ohio and each SSO Supplier shall obtain and maintain throughout the Delivery Period all regulatory authorizations necessary to perform their respective obligations under this Agreement.

(b) Each SSO Supplier shall cooperate in good faith with AEP Ohio in any regulatory compliance efforts as may be required to maintain the ongoing legitimacy and enforceability of the terms of this Agreement and to fulfill any regulatory reporting requirement associated with the provision of SSO Supply before the PUCO, FERC or any other Governmental Authority.

3.6 PJM Member Default Cost Allocation

In the event PJM imposes a Default Allocation Assessment upon AEP Ohio relating to a default during the Term, AEP Ohio may, in its sole discretion, invoice each SSO Supplier, based on its SSO Supplier Responsibility Share, for amounts determined, in AEP Ohio's sole discretion, to be properly payable by such SSO Supplier from the Default Allocation Assessment and each SSO Supplier shall pay such amounts within three (3) Business Days after receipt of such invoice, subject to the dispute resolution procedures set forth in Section 11.

3.7 Status of SSO Supplier

In order to meet AEP Ohio's service obligations under Legal Authorities, it is the intent of the Parties that each SSO Supplier shall be deemed a LSE for the duration of the Delivery Period pursuant to the PJM Agreements and Legal Authorities.

3.8 Sales for Resale

All SSO Supply provided by an SSO Supplier to AEP Ohio shall be sales for resale, with AEP Ohio reselling such SSO Supply to SSO Customers.

3.9 Declaration of Authority

As designated or otherwise required by AEP Ohio, AEP Ohio and each SSO Supplier shall execute a Declaration of Authority, a representative form of which is attached hereto as Attachment G.

ARTICLE 4

SCHEDULING, FORECASTING AND INFORMATION SHARING

4.1 Scheduling

(a) Each SSO Supplier shall schedule SSO Supply and make all necessary arrangements for the delivery of SSO Supply through the PJM Office of Interconnection pursuant to the PJM Agreements.

(b) AEP Ohio will provide to each SSO Supplier and to PJM all information required by PJM for the purpose of calculating each SSO Supplier's SSO Supply obligations, including the magnitude of each SSO Supplier's SSO Supply obligation, as required by the PJM Office of Interconnection.

4.2 Load Forecasting

AEP Ohio shall not be required to provide to any SSO Supplier any load forecasting services.

4.3 Disconnection and Curtailment by AEP Ohio

AEP Ohio shall have the right, without incurring any liability to any SSO Supplier, to disconnect (or otherwise curtail, interrupt or reduce deliveries from) the SSO Suppliers or to disconnect (or otherwise curtail, interrupt or reduce deliveries to) any Customer whenever AEP Ohio determines in its discretion acting in good faith that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of AEP Ohio's facilities; or due to any other reason affecting the safe and reliable operation of any of AEP Ohio's or a Customer's facilities, including Emergencies, forced outages or potential overloading of any of AEP Ohio's transmission or distribution circuits, potential damage to the Customer's facilities or any risk of injury to persons, or when AEP Ohio is directed by PJM. AEP Ohio shall not show any preference for any Affiliate in connection with any such disconnection, curtailment or reduction.

4.4 Loss of Service to SSO Customers

The Parties agree and acknowledge that service to SSO Customers may be lost due to storms, weather, accidents, breakage of equipment or other events beyond the reasonable control of AEP Ohio affecting the transmission and distribution facilities of AEP Ohio. No Party will have any liability to any other Party for the occurrence of such events. In no event will a loss of service to a Customer affect a Party's obligation to make any payments then due or becoming due with respect to performance rendered prior to such loss of service.

4.5 PJM Requirements

The Parties acknowledge and agree that, as members of PJM, each of them is bound by the PJM Agreements and any other operating instructions, policies and procedures set forth by PJM. Each SSO Supplier acknowledges and agrees that it will cooperate with AEP Ohio and PJM as the applicable balancing authority and reliability coordinator so that AEP Ohio will be in compliance with all PJM emergency operations procedures, which include procedures pertaining to minimum and maximum generation Emergencies, and measures requiring involuntary Customer participation, such as supply voltage reduction and full interruption of Customer load by either manual or automatic means.

4.6 Compliance with Governmental Directives

Each SSO Supplier acknowledges and agrees that AEP Ohio may need to act in response to directives by a Governmental Authority that may affect SSO Supply or SSO Load. Each SSO Supplier agrees to cooperate fully with AEP Ohio in order to comply with such directives.

ARTICLE 5

CREDIT AND PERFORMANCE SECURITY

5.1 Applicability

Each SSO Supplier agrees that it will meet the creditworthiness standards of this Article 5 at all times during the Term and will inform AEP Ohio immediately of any changes in its credit rating or financial condition. Without limiting the foregoing, each SSO Supplier shall, upon the written request of AEP Ohio, affirmatively demonstrate to AEP Ohio in a manner satisfactory to

AEP Ohio its compliance with the creditworthiness standards set forth hereunder. AEP Ohio may establish less restrictive creditworthiness standards under this Article 5 in a non-discriminatory manner.

During the Term, each SSO Supplier or its Guarantor, if applicable, that has been granted an Independent Credit Threshold or a Credit Limit agrees to provide as soon as practicable (i) after the end of each fiscal year, complete annual audited financial statements (including footnotes), and (ii) after the end of each fiscal quarter, complete quarterly unaudited financial statements (including footnotes). If such financial statements are readily and timely available from the SSO Supplier's website or other public website such as www.sec.gov, then this requirement shall be deemed to be satisfied.

5.2 Creditworthiness Determination

AEP Ohio will determine the creditworthiness of an SSO Supplier or its Guarantor, if applicable, whether organized under the laws of the United States or organized under the laws of a foreign jurisdiction, based on its most recent senior unsecured debt rating (or, if unavailable, its corporate or issuer rating). AEP Ohio will have full discretion, without liability or recourse to such SSO Supplier or its Guarantor, if applicable, to evaluate the evidence of creditworthiness submitted by such SSO Supplier or Guarantor. AEP Ohio may re-evaluate the creditworthiness of an SSO Supplier or Guarantor from time to time, including whenever it becomes aware of an adverse change in such SSO Supplier's or Guarantor's credit standing. In addition, the SSO Supplier may petition AEP Ohio to re-evaluate its creditworthiness whenever an event occurs that the SSO Supplier reasonably believes would improve the determination made by AEP Ohio of its or its Guarantor's creditworthiness. AEP Ohio's credit re-evaluation must be completed as soon as practicable, but in no event longer than thirty (30) days after receiving a fully documented request. AEP Ohio shall provide the rationale for its determination of the Credit Limit and any resulting security requirement and such determination shall be deemed final and conclusive. AEP Ohio shall perform its credit re-evaluation and associated security calculation in a non-discriminatory manner. Each SSO Supplier or its Guarantor shall provide unrestricted access to its audited financial statements; however, if audited financial statements are not available, AEP Ohio may specify other types of financial statements that will be accepted. If AEP Ohio determines in its sole discretion that it is unable to adequately assess an SSO Supplier's or Guarantor's creditworthiness or the

credit rating of an SSO Supplier or its Guarantor is insufficient, such SSO Supplier shall be required to post ICR Collateral in accordance with Section 5.4(d) and Margin Collateral in accordance with Section 5.7.

5.3 Independent Credit Requirement

The Independent Credit Requirement (“ICR”) per Tranche (“ICRT”) that will be required of each SSO Supplier under this Agreement will initially be the sum of the amounts set forth on Attachment C-1 at the inception of the Original Delivery Period for each Tranche and will decline throughout the Term in accordance with the schedule set forth on Attachment C-1.

5.4 Independent Credit Threshold

Each SSO Supplier that qualifies under the following criteria will be granted an Independent Credit Threshold (“ICT”).

(a) For an SSO Supplier or its Guarantor that has been organized under the laws of the United States, the following requirements must be satisfied in order for such SSO Supplier to be granted an ICT:

(i) the SSO Supplier or its Guarantor, as applicable, must (1) be rated by Standard & Poor’s Rating Services (“S&P”), Moody’s Investors Service, Inc. (“Moody’s”) or Fitch, Inc. (“Fitch”), and (2) have a minimum senior unsecured debt rating (or, if unavailable, corporate or issuer rating) of at least “BB” from S&P, “Ba2” from Moody’s, or “BB” from Fitch (a “Minimum Rating”). If the SSO Supplier or its Guarantor is rated by only two rating agencies and the ratings are split, the lower rating will be used. If the SSO Supplier or its Guarantor is rated by three rating agencies and the ratings are split, the lower of the two highest ratings will be used; provided that, in the event that the two highest ratings are common, such common rating will be used. If the SSO Supplier and an Affiliate(s) are both winning bidders in the Solicitation for the provision of SSO Supply, then the SSO Supplier or its Guarantor, as applicable, and the Affiliate(s) will proportionally share the maximum level of the ICT using the highest rating as determined for the SSO Supplier or its Guarantor, as applicable, and the Affiliate(s). The maximum

level of the ICT will be determined based on the following table:

Credit Rating of the SSO Supplier or its Guarantor			Maximum Independent Credit Threshold (calculated as the lesser of the percentage of TNW and the applicable Independent Credit Threshold Cap below)	
S&P	Moody's	Fitch	Percentage of TNW	Independent Credit Threshold Cap
A- and above	A3 and above	A- and above	16%	Not applicable
BBB+	Baa1	BBB+	10%	Not applicable
BBB	Baa2	BBB	10%	Not applicable
BBB-	Baa3	BBB-	8%	Not applicable
BB+	Ba1	BB+	2%	\$3,000,000
BB	Ba2	BB	1%	\$1,500,000
BB- and below	Ba3 and below	BB- and below	0%	\$0

(ii) for SSO Suppliers having a Guarantor, the maximum level of the ICT that can be granted based on an ICT Guaranty will be determined in accordance with subsection (i) above, with reference to the credit rating of the Guarantor.

The ICT granted to the SSO Supplier will not exceed the amount of the ICT Guaranty. The ICT Guaranty tendered by the SSO Supplier to satisfy the ICT requirement arising under this Section 5.4 shall be a separate guaranty from the Total Exposure Amount Guaranty, if any, tendered by the SSO Supplier to satisfy any requirement for a Credit Limit to cover the Total Exposure Amount arising under Section 5.6; provided, however, that a single Guaranty may be provided if such Guaranty is for an unlimited amount.

(b) For an SSO Supplier or its Guarantor that has not been organized under the laws of the United States, the following requirements must be satisfied in order for such SSO Supplier to be granted an ICT:

(i) the SSO Supplier must supply such evidence of creditworthiness as to provide AEP Ohio with comparable assurances of creditworthiness as applicable above for SSO Suppliers that have been organized under the laws of the United States; or

(ii) the Guarantor of an SSO Supplier must supply such evidence of creditworthiness as to provide AEP Ohio with comparable assurances of creditworthiness as applicable above for Guarantors of SSO Suppliers that have been organized under the laws of the United States. AEP Ohio may reject such Guarantors that do not meet the creditworthiness requirements.

(c) All SSO Suppliers or Guarantors of SSO Suppliers that have not been organized under the laws of the United States must, in addition to all documentation required elsewhere in this Section 5.4, supply the following to AEP Ohio as a condition of being granted an ICT:

(i) for an SSO Supplier: (1) a legal opinion of counsel qualified to practice in the foreign jurisdiction in which the SSO Supplier is organized that (A) the SSO Supplier is duly incorporated and existing in such foreign jurisdiction; (B) this Agreement is the binding and enforceable obligation of the SSO Supplier in such foreign jurisdiction and does not violate any local law or the SSO Supplier's organizational or governing documents; and (C) all authorizations, approvals, consents, licenses, exemptions or other requirements of governmental, judicial or public bodies in such foreign jurisdiction have been obtained, and all execution formalities have been duly completed, necessary for the enforcement and validity of this Agreement and the performance by the SSO Supplier of its obligations hereunder; and (2) the sworn certificate of the corporate secretary (or similar officer) of such SSO Supplier that the Person executing this Agreement on behalf of the SSO Supplier has the authority to execute this Agreement and that the governing board of such SSO Supplier has approved the execution of this Agreement. AEP Ohio will have full discretion, without liability or recourse to the SSO Supplier, to evaluate the sufficiency of the documents submitted by the SSO Supplier; or

(ii) for the Guarantor of an SSO Supplier: (1) a legal opinion of counsel qualified to practice in the foreign jurisdiction in which the Guarantor is organized that (A) the Guarantor is duly incorporated and existing in such foreign jurisdiction; (B) the ICT Guaranty is the binding and enforceable obligation of the Guarantor in such foreign jurisdiction and does not violate any local law or the Guarantor's organizational or governing documents; and (C) all authorizations, approvals, consents, licenses, exemptions or other requirements of governmental, judicial or public bodies in such foreign jurisdiction have been obtained, and all execution formalities have been duly completed, necessary for the enforcement and validity of the ICT Guaranty and the performance by the Guarantor of its obligations thereunder; and (2) the sworn certificate of the corporate secretary (or similar officer) of such Guarantor that the Person executing the ICT Guaranty on behalf of the Guarantor has the authority to execute the ICT Guaranty and that the governing board of such Guarantor has approved the execution of the ICT Guaranty. AEP Ohio will have full discretion, without liability or recourse to the Guarantor or the SSO Supplier, to evaluate the sufficiency of the documents submitted by such Guarantor.

(d) SSO Suppliers who do not qualify for an ICT or whose ICT plus the amount of any cash or Letter of Credit already posted in accordance with Section 5.9 to satisfy its aggregate ICR under this Agreement and any Other Energy Supply Agreement (the "ICR Collateral") does not meet its aggregate ICR under this Agreement and any Other Energy Supply Agreement, must post ICR Collateral at the time of or prior to the Effective Date to the extent its aggregate ICR under this Agreement and any Other Energy Supply Agreement exceeds its ICT.

(e) Under no circumstances shall the ICT hereunder plus any other independent credit threshold granted to the SSO Supplier or its Guarantor under any Other Energy Supply Agreement exceed the maximum ICT hereunder.

5.5 Mark-to-Market Credit Exposure Methodology

To calculate the Mark-to-Market Exposure Amount for each SSO Supplier, the following mark-to-market credit exposure methodology will be used. A "market value" for each Tranche will be determined at the time the Solicitation is completed based on the then prevailing market prices, as described further in Attachment C-2. At the time the Solicitation is completed, the Mark-to-Market Exposure Amount for each SSO Supplier shall be set equal to zero. Subsequently, the

differences between the prevailing market prices on a valuation date and the market prices in effect on the date the Solicitation is completed will be used to calculate the Mark-to-Market Exposure Amounts for each SSO Supplier, as described further in Attachment C-2. The total Mark-to-Market Exposure Amount will be equal to the sum of the Mark-to-Market Exposure Amounts for each Billing Period, or portion thereof, remaining during the Original Delivery Period. Forward Market Prices will be determined with reference to publicly available market price quotations obtained by AEP Ohio, as adjusted by AEP Ohio to more closely approximate the price impact of serving a slice-of-system product which reflects hourly variations due to customer usage patterns. Such adjustment is further described in Attachment C-2. However, if market price quotations are not publicly available, Forward Market Prices will be determined by AEP Ohio using any method which AEP Ohio deems appropriate and which reasonably reflects forward market pricing conditions in PJM. The Mark-to-Market Exposure Amount will also be adjusted on a monthly basis to reflect changes in expected SSO Load by means of a volume adjustment factor. The Mark-to-Market Exposure Amount will be stated on a present value basis by discounting using the then-prevailing LIBOR rate. The methodology for calculation of the Mark-to-Market Exposure Amount is illustrated in the example (using hypothetical numbers) in Attachment C-2.

5.6 Credit Limit

The following criteria constitute AEP Ohio's creditworthiness requirements for the SSO Suppliers to cover the Total Exposure Amount:

(a) For SSO Suppliers to be granted a Credit Limit without delivering a Total Exposure Amount Guaranty or other Performance Assurance acceptable to AEP Ohio, in the case of an SSO Supplier organized under the laws of the United States, the SSO Supplier must (1) be rated by S&P, Moody's or Fitch, and (2) have a minimum senior unsecured debt rating (or, if unavailable, corporate or issuer rating) equal to the Minimum Rating. If the SSO Supplier is rated by only two rating agencies and the ratings are split, the lower rating will be used. If the SSO Supplier is rated by three rating agencies and the ratings are split, the lower of the two highest ratings will be used; provided that, in the event that the two highest ratings are common, such common rating will be used. If the SSO Supplier and an Affiliate(s) are both winning bidders in the Solicitation for the provision of SSO Supply, then the SSO Supplier or its Guarantor, as applicable, and the Affiliate(s) will proportionally share the maximum level of the Credit Limit using the highest rating as determined for the SSO Supplier or its Guarantor, as applicable, and the Affiliate(s). The

maximum level of the Credit Limit to cover the Total Exposure Amount will be determined based on the following table:

Credit Rating of the SSO Supplier or its Guarantor			Maximum Credit Limit (calculated as the lesser of the percentage of TNW and the applicable Credit Limit Cap below)	
S&P	Moody's	Fitch	Percentage of TNW	Credit Limit Cap
A- and above	A3 and above	A- and above	16%	\$75,000,000
BBB+	Baa1	BBB+	10%	\$50,000,000
BBB	Baa2	BBB	10%	\$40,000,000
BBB-	Baa3	BBB-	8%	\$30,000,000
BB+	Ba1	BB+	2%	\$10,000,000
BB	Ba2	BB	1%	\$5,000,000
BB- and below	Ba3 and below	BB- and below	0%	\$0

The SSO Supplier will be required to post cash or a Letter of Credit for the Margin due AEP Ohio as set forth in Section 5.7 of this Agreement.

(b) For SSO Suppliers delivering a Total Exposure Amount Guaranty, in the case of a Guarantor organized under the laws of the United States, the maximum level of the Credit Limit to cover the Total Exposure Amount that could be granted based on the Total Exposure Amount Guaranty will be determined in accordance with subsection (a) above, with reference to the credit rating of the Guarantor, except that the Credit Limit granted to the SSO Supplier will not exceed the amount of the Total Exposure Amount Guaranty.

(c) For an SSO Supplier or Guarantor, if applicable, that has not been organized under the laws of the United States, the following standards will apply:

(i) the SSO Supplier must supply such evidence of creditworthiness as to provide AEP Ohio with comparable assurances of creditworthiness as applicable above for SSO Suppliers that have been organized under the laws of the United States; or

(ii) if the SSO Supplier is providing a Total Exposure Amount Guaranty, the Guarantor of an SSO Supplier must supply such evidence of creditworthiness as to provide

AEP Ohio with comparable assurances of creditworthiness as applicable above for Guarantors of SSO Suppliers that have been organized under the laws of the United States. AEP Ohio may reject such Guarantors that do not meet the creditworthiness requirements.

(d) All SSO Suppliers or Guarantors of SSO Suppliers, if applicable, that have not been organized under the laws of the United States must, in addition to all documentation required elsewhere in this Section 5.6, supply the following to AEP Ohio:

(i) For an SSO Supplier: (1) a legal opinion of counsel qualified to practice in the foreign jurisdiction in which the SSO Supplier is organized that (A) the SSO Supplier is duly incorporated and existing in such foreign jurisdiction; (B) this Agreement is the binding and enforceable obligation of the SSO Supplier in such foreign jurisdiction and does not violate any local law or the SSO Supplier's organizational or governing documents; and (C) all authorizations, approvals, consents, licenses, exemptions or other requirements of governmental, judicial or public bodies in such foreign jurisdiction have been obtained, and all execution formalities have been duly completed, necessary for the enforcement and validity of this Agreement and the performance by the SSO Supplier of its obligations hereunder; and (2) the sworn certificate of the corporate secretary (or similar officer) of such SSO Supplier that the Person executing this Agreement on behalf of the SSO Supplier has the authority to execute this Agreement and that the governing board of such SSO Supplier has approved the execution of this Agreement. AEP Ohio will have full discretion, without liability or recourse to the SSO Supplier, to evaluate the sufficiency of the documents submitted by the SSO Supplier; or

(ii) For the Guarantor of an SSO Supplier: (1) a legal opinion of counsel qualified to practice in the foreign jurisdiction in which the Guarantor is organized that (A) the Guarantor is duly incorporated and existing in such foreign jurisdiction; (B) the Total Exposure Amount Guaranty is the binding and enforceable obligation of the Guarantor in such foreign jurisdiction and does not violate any local law or the Guarantor's organizational or governing documents; and (C) all authorizations, approvals, consents, licenses, exemptions or other requirements of governmental, judicial or public bodies in such foreign jurisdiction have been obtained, and all execution formalities have been duly completed, necessary for the enforcement and validity of the Total Exposure Amount

Guaranty and the performance by the Guarantor of its obligations thereunder; and (2) the sworn certificate of the corporate secretary (or similar officer) of such Guarantor that the Person executing the Total Exposure Amount Guaranty on behalf of the Guarantor has the authority to execute the Total Exposure Amount Guaranty and that the governing board of such Guarantor has approved the execution of the Total Exposure Amount Guaranty. AEP Ohio will have full discretion, without liability or recourse to the Guarantor or the SSO Supplier, to evaluate the sufficiency of the documents submitted by such Guarantor.

(e) For an SSO Supplier with a Total Exposure Amount Guaranty, the SSO Supplier will be granted a Credit Limit up to the amount of the Total Exposure Amount Guaranty, but not exceeding the Credit Limit shown in the table above. The Total Exposure Amount Guaranty shall be provided to AEP Ohio on or prior to the Effective Date, but may be modified in any amended or substitute Total Exposure Amount Guaranty provided to AEP Ohio during the Term. The SSO Supplier, however, may not increase or substitute its Total Exposure Amount Guaranty for the purpose of increasing its applicable Credit Limit during the time period after AEP Ohio has made a demand of the SSO Supplier to cover Margin (a “Margin Call”) but before the SSO Supplier has provided AEP Ohio with cash credited to a deposit account of AEP Ohio or a Letter of Credit in accordance with Section 5.9, in each case in an amount equal to or exceeding the Margin (the “Margin Collateral”). Notwithstanding anything herein to contrary, the SSO Supplier may increase the amount of its Total Exposure Amount Guaranty after satisfying a Margin Call. Upon AEP Ohio’s receipt of an amended or substitute Total Exposure Amount Guaranty increasing the amount of the Total Exposure Amount Guaranty, the SSO Supplier may request a return of Margin Collateral in accordance with Section 5.7. The SSO Suppliers will be required to post cash or a Letter of Credit for the Margin due AEP Ohio as set forth in Section 5.7 of this Agreement.

(f) Under no circumstances shall the Credit Limit hereunder plus any other credit limit granted to the SSO Supplier or its Guarantor under any Other Energy Supply Agreement exceed the Credit Limit hereunder.

5.7 Posting Margin Collateral and Return of Excess Collateral

If at any time and from time to time during the Delivery Period, Margin exists with respect to an SSO Supplier, then AEP Ohio on any Business Day may make a Margin Call of such SSO

Supplier; provided however that AEP Ohio may not make a Margin Call unless the Margin exceeds the Minimum Margin Threshold. Upon receipt of a Margin Call, the applicable SSO Supplier shall provide to AEP Ohio Margin Collateral, which shall comprise of cash or a Letter of Credit. The Margin Collateral shall be in the amount equal to the Margin less the amount of any Margin Collateral already posted by the SSO Supplier in which AEP Ohio has a first priority, perfected security interest to secure the obligations of the SSO Supplier under this Agreement and any Other Energy Supply Agreement. For the avoidance of doubt, any ICR Collateral posted pursuant to Section 5.4 shall not constitute Margin Collateral.

If an SSO Supplier receives a Margin Call from AEP Ohio by 1:00 p.m. prevailing Eastern Time on a Business Day, then such SSO Supplier shall post Margin Collateral the following Business Day if posting cash and the second Business Day following the Margin Call if posting a Letter of Credit, unless in each case AEP Ohio agrees in writing to extend the period to provide Margin Collateral. If the SSO Supplier receives a Margin Call after 1:00 p.m. prevailing Eastern Time on a Business Day, whether posting cash or a Letter of Credit, then the SSO Supplier must post Margin Collateral on the second Business Day following the Margin Call unless AEP Ohio agrees in writing to extend the period to provide Margin Collateral. AEP Ohio will not unreasonably deny a request for a one-day extension of such period.

Margin Collateral being held by AEP Ohio that is not needed to satisfy the Margin ("Excess Collateral"), will be returned to the SSO Supplier upon receipt of a written request from the SSO Supplier; provided, however, that the SSO Supplier may not request Excess Collateral until such Excess Collateral exceeds the Minimum Margin Threshold. If the SSO Supplier posted cash and notice is received by AEP Ohio by 1:00 p.m. prevailing Eastern Time on a Business Day, the Excess Collateral will be returned by the following Business Day and if the SSO Supplier posted cash and notice is received by AEP Ohio after 1:00 p.m. prevailing Eastern Time on a Business Day, the Excess Collateral will be returned by the second Business Day following the date of notice. If the SSO Supplier posted a Letter of Credit, the Excess Collateral shall be returned on the next Business Day following the Business Day on which the amendment to the Letter of Credit is received from the issuing bank, unless in each case the SSO Supplier agrees in writing to extend such period for returning the Excess Collateral. The SSO Supplier will not unreasonably deny a request for a one-day extension of the period for returning the Excess Collateral.

5.8 Grant of Security Interest; Remedies

To secure its obligations under this Agreement, the SSO Supplier hereby grants to AEP Ohio a present and continuing security interest in, and lien on (and right of setoff against), its right, title and interest, whether now owned or hereafter acquired or arising, in (i) all deposit accounts in the name of AEP Ohio or partially in the name of AEP Ohio or held for the benefit of AEP Ohio and all funds credited to any and all of the foregoing, (ii) all securities, instruments (including promissory notes), money (each of the foregoing terms as defined in the UCC), cash and other tangible property delivered to and held by AEP Ohio (or its agents or custodians) and (iii) all proceeds (as defined in the UCC) of any and all of the foregoing. The SSO Supplier agrees to take such action as reasonably required to create and perfect AEP Ohio's first priority security interest in, and lien on (and right of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or at any time after the occurrence or deemed occurrence and during the continuation of an Event of Default where an SSO Supplier is the Defaulting Party or an Early Termination Date (whether or not such SSO Supplier was the Defaulting Party), AEP Ohio may do any one or more of the following in any order: (i) exercise any of the rights and remedies of AEP Ohio, including the right to set-off and liquidation, against any and all ICR Collateral, Margin Collateral or other collateral of such SSO Supplier in the possession of AEP Ohio, whether held in connection with this Agreement or any Other Energy Supply Agreement, including any such rights and remedies under law then in effect, free from any claim or right of any nature whatsoever of such SSO Supplier; and (ii) draw on any outstanding Letter of Credit provided by such SSO Supplier. AEP Ohio will apply the proceeds of the collateral realized upon the exercise of such rights or remedies to reduce such SSO Supplier's obligations under this Agreement and under any Other Energy Supply Agreement, and such SSO Supplier shall remain liable for any amounts owing to AEP Ohio after such application, subject to AEP Ohio's obligation to return any surplus proceeds remaining after all such obligations are satisfied in full.

All notices, demands or requests regarding credit requirements and credit-related security or deposit transfers shall be sent in accordance with Section 12.2.

5.9 Acceptable Forms of Security

At each SSO Supplier's option, the following are deemed to be acceptable for posting Margin Collateral or ICR Collateral, if required:

(a) Cash credited to a deposit account of AEP Ohio; and

(b) A Letter of Credit, which shall state that such Letter of Credit will renew automatically for successive one-year or shorter periods, until terminated upon at least ninety (90) days' prior written notice from the issuing financial institution. If AEP Ohio receives notice from the issuing financial institution that the Letter of Credit is being cancelled, the SSO Supplier will be required to provide a substitute Letter of Credit from an alternative bank satisfying the requirements in this Section 5.9. The receipt of the substitute Letter of Credit must be effective as of the cancellation date and delivered to AEP Ohio thirty (30) days before the cancellation date of the original Letter of Credit. If the SSO Supplier fails to supply a substitute Letter of Credit as required, then AEP Ohio will have the right to draw on the existing Letter of Credit and to hold the amount as Margin Collateral or ICR Collateral, as applicable.

The Letter of Credit shall be issued by a U.S. commercial bank or by a U.S. branch of a foreign bank with total assets of at least \$5 billion having a general long-term senior unsecured debt rating of A- or higher as rated by S&P or A3 or higher as rated by Moody's and shall permit presentation at a bank located in the United States of America.

If at any time the bank or other financial institution from which an SSO Supplier has obtained a Letter of Credit fails to meet the foregoing conditions, the SSO Supplier will immediately notify AEP Ohio and, within one (1) Business Day of the failure of the financial institution to meet the required conditions, obtain a suitable Letter of Credit from another bank or other financial institution that meets those standards, unless such period is extended in writing by AEP Ohio. For avoidance of doubt, SSO Supplier may elect to substitute a cash deposit for the Letter of Credit within the time frame specified herein.

Notwithstanding anything in this Agreement to the contrary, AEP Ohio may exercise any rights or claims to any collateral posted, delivered or pledged to them under this Agreement, before, after, concurrently with, or to the exclusion of, any other collateral posted, delivered or

pledged prior to applying any cash collateral against, or making a drawing under any letter of credit in respect of, any liabilities of the SSO Supplier hereunder or its Guarantor under the Guaranty to AEP Ohio or any of them.

5.10 Reporting; Maintenance of Creditworthiness

(a) Each SSO Supplier must promptly notify AEP Ohio of any change in its or its Guarantor's credit rating or financial condition. The SSO Supplier or Guarantor must also furnish evidence of an acceptable credit rating or financial condition upon the request of AEP Ohio.

(b) If the lowest credit rating (whether corporate or issuer rating or unsecured senior debt rating) used to determine the SSO Supplier's ICT or its Credit Limit adversely changes, AEP Ohio will require ICR Collateral or Margin Collateral from such SSO Supplier in accordance with Sections 5.4, 5.6 and 5.7. The additional security must be in a form acceptable to AEP Ohio, as specified in Section 5.9.

5.11 Interest on Cash Held by AEP Ohio

AEP Ohio will pay simple interest calculated at the lower of the Margin Interest Rate or 6% per annum on all cash held by AEP Ohio pursuant to this Agreement. If applicable, after each Billing Period the SSO Supplier will prepare a statement of interest amounts due from AEP Ohio. The statement will be sent to AEP Ohio within three (3) Business Days after the end of the Billing Period via overnight mail or other expeditious means. AEP Ohio will make interest payments on the first Business Day after the fifth (5th) day of each calendar month.

5.12 No Endorsement of SSO Supplier

AEP Ohio's determination of an SSO Supplier's creditworthiness pursuant to the process set forth in this Article 5 will not be deemed to constitute an express or implied warranty or guarantee of any kind with respect to the financial or operational qualifications of such SSO Supplier. AEP Ohio will treat all SSO Suppliers in a non-discriminatory manner and shall provide no preference to any SSO Supplier.

ARTICLE 6

BILLING, PAYMENT AND NETTING

6.1 Invoice Statement

Subject to Section 6.2, AEP Ohio and each SSO Supplier shall pay all amounts due to each other hereunder in accordance with the following provisions:

(a) For each Billing Period, AEP Ohio will prepare and provide an invoice to each SSO Supplier, which will show (i) amounts due to the SSO Supplier equal to the Price multiplied by the applicable Seasonal Billing Factor multiplied by the Estimated Monthly Energy Share, (ii) the Energy Share Adjustment from any prior Billing Period that have not been invoiced, if any, and (iii) all Charges due to AEP Ohio incurred during the Billing Period (the “Billing Statement”).

(b) AEP Ohio will determine the total amount payable by one Party to the other Party by netting the aggregate amounts due and owing to one Party against the aggregate amounts due and owing to the other Party, with the Party, if any, owing the greater aggregate amount paying the other Party the difference between the amounts owed. For any amounts due and owing AEP Ohio, AEP Ohio will specify in each Billing Statement how the amounts will be allocated among the SSO Suppliers. In the case of the Energy Share Adjustment, the allocation will be based on the respective SSO Loads of AEP Ohio.

(c) The Billing Statement will be sent to each SSO Supplier within six (6) Business Days after the end of the Billing Period.

(d) AEP Ohio or the SSO Supplier, as the case may be, will make payment on or before the twentieth (20th) day of each calendar month. If such day falls on a Saturday, Sunday or any other day which is a legal holiday or a day on which banking institutions are closed, payment will be due the following Business Day. All such payments shall be made by electronic transfer to an account designated in writing by each respective Party.

(e) All payments shall be subject to adjustment for any arithmetic errors, computation errors, or other errors, provided that the errors become known within one (1) year of the earlier of (i) the end of the Term or (ii) the Early Termination Date.

(f) Overdue payments shall accrue interest at the Interest Rate from, and including, the due date, but excluding date of payment.

(g) If a good faith dispute arises between AEP Ohio and the SSO Supplier regarding a Billing Statement, the disputing Party shall be obligated to pay only the undisputed portion of the Billing Statement, if any, no later than the due date and shall present the dispute in writing and submit supporting documentation to the non-disputing Party within one hundred twenty (120) calendar days from the date of the Billing Statement in dispute. Billing Statement disputes must be addressed promptly, and in accordance with the dispute resolution procedures set forth in Article 11. Upon resolution of a Billing Statement dispute, any payments made to either Party will include interest at the Interest Rate on the payment payable from the date that notice of a Billing Statement dispute was received by the non-disputing Party.

(h) Notwithstanding anything to the contrary contained in this Section 6.1, the determination of the allocation among SSO Suppliers of amounts due and owing to AEP Ohio, as set forth in a Billing Statement, will be final and binding, absent manifest error.

6.2 PJM Billing; Third Party Billing

(a) AEP Ohio and each SSO Supplier shall direct PJM to invoice AEP Ohio and such SSO Supplier for PJM charges and credits relating to such SSO Supplier's and AEP Ohio's rights and obligations under this Agreement. If PJM is unable to invoice charges or credits in accordance with the foregoing sentence, AEP Ohio shall rectify such PJM invoice discrepancy in the Billing Statement sent pursuant to Section 6.1.

(b) The Parties agree that the PJM invoice may change from time to time. Allocation of any charges that are reflected in a PJM invoice that are not included on or are inconsistent with Attachment F will be determined pursuant to Sections 3.1(c), 3.1(d), 3.1(e), 3.2(d) and 12.6.

(c) AEP Ohio shall have no responsibility for billing between an SSO Supplier and any other third party. AEP Ohio shall be solely responsible for billing SSO Customers for SSO Supply.

ARTICLE 7
BREACH AND DEFAULT

7.1 Events of Default

An “Event of Default” shall mean with respect to a Party (the “Defaulting Party”) the occurrence of any of the following:

(a) the failure of the Defaulting Party to make, when due, any payment required pursuant to this Agreement (including under Section 6.2) if such failure is not remedied within two (2) Business Days after receipt of written notice of non-payment, and provided the payment is not the subject of a good faith dispute as described in Section 6.1;

(b) any representation or warranty made by the Defaulting Party herein is false or misleading in any material respect when made;

(c) the failure of the Defaulting Party to perform any material obligation set forth in this Agreement (other than events that are otherwise specifically covered in this Article 7 as a separate Event of Default) if such failure is not remedied within two (2) Business Days after written notice;

(d) the Defaulting Party becomes Bankrupt;

(e) with respect to an SSO Supplier, the failure of the Defaulting Party to provide Margin Collateral, or with respect to AEP Ohio, the failure of the Defaulting Party to return Excess Collateral, in each case pursuant to Section 5.7;

(f) failure of the Defaulting Party to comply with its obligations pursuant to Article 5 (except to the extent constituting a separate Event of Default under Section 7.1(e)) if such failure is not remedied within three (3) Business Days after receipt of written notice of such failure;

(g) the failure of the Defaulting Party to comply with the requirements of Sections 3.1(f), 3.1(g), 3.1(h) and 3.5, as applicable, if such failure is not remedied within three (3) Business Days of such failure;

(h) PJM has declared the Defaulting Party to be in default of any provision of any PJM Agreement, which default prevents the Defaulting Party's performance hereunder, if such failure is not remedied within three (3) Business Days after written notice;

(i) PJM holds AEP Ohio responsible for the provision of all or any portion of SSO Supply to meet the Defaulting Party's SSO Supplier Responsibility Share under this Agreement;

(j) the occurrence and continuation of: (i) a default, event of default or other similar condition or event in respect of the Defaulting Party or its Guarantor, if applicable, under one or more agreements or instruments, individually or collectively, relating to Specified Indebtedness in an aggregate amount of not less than the applicable Cross Default Amount, which results in such Specified Indebtedness becoming immediately due and payable; (ii) a default by the Defaulting Party or its Guarantor, if applicable, in making on the due date therefor one or more payments in respect of any obligation under contract or at law, individually or collectively, in an aggregate amount of not less than the applicable Cross Default Amount; or (iii) a default, event of default or other similar condition or event by the Defaulting Party under any Other Energy Supply Agreement or by its Guarantor under any guaranty with respect to any Other Energy Supply Agreement; and

(k) with respect to a Defaulting Party's Guarantor, if any, (i) any representation or warranty made by such Guarantor in connection with this Agreement or any related Guaranty is intentionally or unintentionally false or misleading in any material respect when made or when deemed made or repeated; (ii) the failure of such Guarantor to make any payment required or to perform any other material covenant or obligation in any Guaranty made in connection with this Agreement and such failure is not remedied within three (3) Business Days after written notice; (iii) the failure of such Guarantor's Guaranty to be in full force and effect (other than in accordance with its terms) prior to the satisfaction of all obligations of the Defaulting Party under this Agreement without the written consent of AEP Ohio; (iv) such Guarantor repudiates, disaffirms, disclaims, or rejects, in whole or in part, or challenges the validity of the Guaranty; or (v) such Guarantor becomes Bankrupt.

7.2 Remedies Upon an Event of Default

If an Event of Default shall have occurred and be continuing, the Non-Defaulting Party shall have the right to:

(a) immediately suspend performance upon written notice to the Defaulting Party; provided, however, that if an SSO Supplier is the Non-Defaulting Party, such SSO Supplier may only suspend performance if the default of the Defaulting Party constitutes an Event of Default under Sections 7.1(a) or (d);

(b) declare an Early Termination and designate by written notice an Early Termination Date which shall be no earlier than the day such designation notice is effective and no later than twenty (20) calendar days after such notice is effective; provided, however, that if an SSO Supplier is the Non-Defaulting Party, such SSO Supplier may only declare an Early Termination if the default of the Defaulting Party constitutes an Event of Default under Section 7.1(a) or (d);

(c) calculate and receive from the Defaulting Party payment for any Default Damages which the Non-Defaulting Party incurs as of the date of the event giving rise to the Event of Default, until the earlier of: (i) the Early Termination Date (if applicable); (ii) the date the Event of Default has been cured by the Defaulting Party; or (iii) the date the Non-Defaulting Party waives such Event of Default;

(d) withhold any payments due to the Defaulting Party under this Agreement as a set-off against any Default Damages, or Termination Payment, as applicable, the Defaulting Party is entitled to receive;

(e) draw down, liquidate, set-off against, or demand payment under, any Guaranty, ICR Collateral and Margin Collateral; and

(f) exercise any other remedies at law or in equity.

7.3 Default Damages; Settlement Amount; Termination Payment

(a) **Default Damages.** Subject to Section 7.3(e), the Defaulting Party shall pay Default Damages on or before three (3) Business Days after receipt of an invoice therefor. The invoice shall include a written statement explaining in reasonable detail the calculation of such amount.

Neither Party will be liable for Default Damages if this Agreement is terminated by a Governmental Authority.

(b) **Settlement Amount.** If the Non-Defaulting Party has declared an Early Termination Date pursuant to Section 7.2(b), the Non-Defaulting Party shall have the right to (i) accelerate all amounts owing between the Defaulting Party and the Non-Defaulting Party and to liquidate and terminate the undertakings set forth in this Agreement as between the Defaulting Party and the Non-Defaulting Party; and (ii) withhold any payments due to the Defaulting Party under this Agreement pending payment of the Termination Payment. The Non-Defaulting Party will calculate, in a commercially reasonable manner, the Settlement Amount with respect to the Defaulting Party's obligations under the Agreement and shall net the Settlement Amount in the manner provided for in Section 7.3(c).

(c) **Termination Payment.** The Non-Defaulting Party will calculate a single payment (the "Termination Payment") by netting out (i) the sum of the Settlement Amount under this Agreement payable to the Defaulting Party, plus (a) similar settlement amounts payable to the Defaulting Party under any other agreements between AEP Ohio and the applicable SSO Supplier for the provision of SSO Supply, Energy supply or other similar service (each, an "Other Energy Supply Agreement") being terminated due to the event giving rise to the Event of Default plus, (b) at the option of the Non-Defaulting Party, any Performance Assurance then available to the Non-Defaulting Party under this Agreement or Other Energy Supply Agreements and actually received, liquidated and retained by the Non-Defaulting Party, plus (c) any or all other amounts due to the Defaulting Party under this Agreement and, at the option of the Non-Defaulting Party, Other Energy Supply Agreements, and (ii) the sum of the Settlement Amount under this Agreement payable to the Non-Defaulting Party, plus (a) similar settlement amounts payable to the Non-Defaulting Party under any Other Energy Supply Agreement being terminated due to the event giving rise to the Event of Default plus, (b) at the option of the Non-Defaulting Party, any Performance Assurance then available to the Defaulting Party under this Agreement or Other Energy Supply Agreements and actually received, liquidated and retained by the Defaulting Party, plus (c) any or all other amounts due to the Non-Defaulting Party under this Agreement and, at the option of the Non-Defaulting Party, Other Energy Supply Agreements.

The Termination Payment will be due to or due from the Non-Defaulting Party as appropriate; provided, however, that if an SSO Supplier is the Defaulting Party and the Termination Payment is due to such SSO Supplier, AEP Ohio will be entitled to retain a reasonable portion of the Termination Payment, which may be equal to the entire amount of the Termination Payment, as a security for additional amounts that may be determined to be due and owing by such SSO Supplier as Default Damages; and further provided that any previously attached security interest of AEP Ohio in such retained amounts will continue. If the Termination Payment has been retained by AEP Ohio as security for additional amounts that may be determined to be due and owing by the SSO Supplier, and if, upon making a final determination of Default Damages and payment therefor, the Termination Payment, or any portion thereof, is to be made to the SSO Supplier, AEP Ohio will pay interest at the Interest Rate on the Termination Payment amount being made to the SSO Supplier for the period of such retention.

(d) **Notice of Termination Payment.** As soon as practicable after calculation of the Termination Payment, notice must be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether the Termination Payment is due to or due from the Non-Defaulting Party. The notice shall include a written statement explaining in reasonable detail the calculation of such amount. Subject to Section 7.3(e), the Termination Payment must be made by the Party that owes it within three (3) Business Days after such notice is received by the Defaulting Party.

(e) **Disputes With Respect to Default Damages or Termination Payment.** If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Default Damages or Termination Payment, in whole or in part, the Defaulting Party must, within three (3) Business Days of receipt of the Non-Defaulting Party's calculation of the Default Damages or Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute. Any dispute under this Section 7.3(e) shall be subject to the dispute resolution procedures in Article 11; provided, however, that if the Default Damages or Termination Payment is due from the Defaulting Party, the Defaulting Party must first provide Performance Assurance to the Non-Defaulting Party in an amount equal to the Default Damages or Termination Payment, as the case may be.

7.4 Setoff of Payment Obligations of the Non-Defaulting Party

Any payment obligations of the Non-Defaulting Party to the Defaulting Party pursuant to this Agreement or any Other Energy Supply Agreement will be set off: (i) first, to satisfy any payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any Other Energy Supply Agreement that are unsecured and not subject to any Guaranty; (ii) second, to satisfy any payment obligations under this Agreement or any Other Energy Supply Agreement that are unsecured, but which are guaranteed by a Guaranty; and (iii) third, to satisfy any remaining payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any Other Energy Supply Agreement.

7.5 Preservation of Rights of Non-Defaulting Party

The rights of the Non-Defaulting Party under this Agreement, including Sections 7.2, 7.3 and 7.4, will be supplemental to, and not in lieu of, any right of recoupment, lien, or set-off afforded by applicable law, and all such rights are expressly preserved for the benefit of the Non-Defaulting Party.

ARTICLE 8

REPRESENTATIONS AND WARRANTIES

8.1 AEP Ohio's Representations and Warranties

AEP Ohio hereby represents and warrants to the SSO Suppliers as follows:

- (a) it is an electric utility corporation duly organized, validly existing and in good standing under the laws of the State of Ohio;
- (b) it has all requisite power and authority necessary for it to enter into and to legally perform its obligations under this Agreement and any other documentation relating to this Agreement;
- (c) the execution, delivery and performance of this Agreement and any other documentation relating to this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any

contracts to which it is a party or any law, rule, regulation, order or similar provision of any Governmental Authority;

(d) this Agreement and each other document executed and delivered in accordance with this Agreement constitute its legally valid and binding obligation enforceable against it in accordance with its terms;

(e) there is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings, including before a Governmental Authority, that could materially adversely affect its ability to perform its obligations under this Agreement or any other document relating to this Agreement;

(f) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any other document relating to this Agreement;

(g) it is acting for its own account, has made its own independent decision to enter into this Agreement, is not relying upon the advice or recommendations of any other party in so doing, and is capable of assessing the merits of and understanding and understands and accepts, the terms, conditions and risks of this Agreement;

(h) at the commencement of the Original Delivery Period, it has obtained all authorizations from any Governmental Authority necessary for it to perform its obligations under this Agreement; and it is not in violation of any law, rules, regulations, ordinances or judgments of any Governmental Authority which could reasonably be expected to adversely affect its ability to perform its obligations under this Agreement.

8.2 SSO Supplier's Representations and Warranties

Each SSO Supplier hereby represents and warrants to AEP Ohio as follows:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and, if organized outside the State of Ohio, is qualified to conduct its business and is in good standing in Ohio;

(b) it has all regulatory authorizations and all requisite power and authority necessary for it to legally perform its obligations under this Agreement and any other documentation relating to this Agreement;

(c) the execution, delivery and performance of this Agreement and any other documentation relating to this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or similar provision of any Governmental Authority;

(d) this Agreement and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms;

(e) it is a “forward contract merchant” within the meaning of the United States Bankruptcy Code;

(f) there is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings, including before a Governmental Authority, that could materially adversely affect its ability to perform its obligations under this Agreement or any other document relating to this Agreement;

(g) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any other document relating to this Agreement;

(h) it is acting for its own account, has made its own independent decision to enter into this Agreement, is not relying upon the advice or recommendations of AEP Ohio in so doing, and is capable of assessing the merits of and understanding and understands and accepts, the terms, conditions and risks of this Agreement;

(i) at the commencement of the Original Delivery Period, it (i) has obtained all authorizations from any Governmental Authority necessary for it to perform its obligations under this Agreement; (ii) is a member in good standing with PJM; (iii) is qualified by PJM as a “Market Buyer” and “Market Seller” pursuant to the PJM Agreements; (iv) is qualified as a PJM

“Load Serving Entity;” and (v) has duly obtained all FERC authorization necessary or desirable to make sales of Energy, Capacity, and Ancillary Services at market-based rates within PJM; and

(j) it is not in violation of any law, rules, regulations, ordinances or judgments of any Governmental Authority which could reasonably be expected to adversely affect its ability to perform its obligations under this Agreement.

ARTICLE 9

RISK OF LOSS; LIMITATION OF LIABILITY

9.1 Risk of Loss

Title and risk of loss with respect to the SSO Supply shall pass from each SSO Supplier to AEP Ohio when the SSO Supply is delivered to the Delivery Point. As between the Parties, each SSO Supplier shall be deemed to be in exclusive control and possession of the SSO Supply prior to and at the Delivery Point, and AEP Ohio shall be deemed to be in exclusive control and possession of the SSO Supply from the Delivery Point. Each SSO Supplier warrants that it will deliver the SSO Supply to AEP Ohio at the Delivery Point free and clear of all liens, claims and encumbrances arising or attaching prior to the Delivery Point.

9.2 Limitation of Liability

EXCEPT TO THE EXTENT EXPRESSLY SET FORTH IN THIS AGREEMENT, INCLUDING ARTICLE 10, AS BETWEEN AEP OHIO AND EACH SSO SUPPLIER, EACH PARTY’S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES INCURRED AS A RESULT OF A PARTY’S FAILURE TO COMPLY WITH THIS AGREEMENT. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NO PARTY SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, ARISING OUT OF SUCH PARTY’S FAILURE TO COMPLY WITH ITS OBLIGATIONS UNDER THIS AGREEMENT.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NOTHING HEREIN SHALL IMPOSE ANY OBLIGATION OR LIABILITY FROM ONE SSO SUPPLIER TO ANY OTHER SSO SUPPLIER, EXCEPT AS PROVIDED IN ARTICLE 10.

ARTICLE 10
INDEMNIFICATION

10.1 Indemnification

(a) Each SSO Supplier shall defend, save harmless and indemnify AEP Ohio and its Affiliates, shareholders, managers, directors, officers, employees and agents (collectively, the “AEP Ohio Indemnified Party”) against and from any and all of the following incurred by the AEP Ohio Indemnified Party solely as a result of a third party claim (including PJM and each other SSO Supplier) against the AEP Ohio Indemnified Party: loss, liability, damage, claim, cost, charge, demand or expense (including reasonable attorneys’ fees) (collectively “Indemnification Losses”) for injury or death to persons and damage to property including a Party’s employees or any third party to the extent (i) caused by any act or omission (or alleged act or omission) of the SSO Suppliers or their respective Affiliates, managers, directors, officers, employees and agents and (ii) such Indemnification Losses arise out of or are in any manner connected with the performance of this Agreement by the SSO Suppliers or for which the SSO Supplier assumed liability under the terms of this Agreement, except to the extent that a court of competent jurisdiction determines that the Indemnification Losses were caused wholly or in part by the gross negligence or willful misconduct of AEP Ohio. AEP Ohio may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(b) AEP Ohio and each SSO Supplier shall defend, save harmless and indemnify each other SSO Supplier and its Affiliates, shareholders, managers, directors, officers, employees and agents (the “Indemnified Supplier”) against and from any and all of the following incurred by the Indemnified Supplier solely as a result of a third party claim (including another SSO Supplier) against the Indemnified Supplier: Indemnification Losses for injury or death to persons and damage to property including a Party’s employees or any third party to the extent (i) caused by any act or omission (or alleged act or omission) of AEP Ohio or such SSO Supplier or their respective Affiliates, managers, directors, officers, employees and agents, and (ii) such

Indemnification Losses arise out of or are in any manner connected with the performance of this Agreement by AEP Ohio or such SSO Supplier or for which the SSO Supplier assumed liability under the terms of this Agreement, except to the extent that a court of competent jurisdiction determines that the Indemnification Losses were caused wholly or in part by the gross negligence or willful misconduct of the Indemnified Supplier. The Indemnified Supplier may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(c) Any Party that receives notice of any claim, action, or proceeding for which it may seek indemnification under this Section shall promptly notify the indemnitor in writing; provided, however, that the failure to so notify the indemnitor shall not relieve the indemnitor of liability hereunder except to the extent that the defense of such claim, action, or proceeding is prejudiced by the failure to give the notice. The indemnitee shall cooperate fully with the indemnitor in connection with any such litigation or proceeding the defense of which the indemnitor has assumed. No indemnitee may consent to entry of any judgment or enter into any settlement of any claim, action, or proceeding that would give rise to any liability of the indemnitor hereunder without the indemnitor's prior written consent, which consent may not be unreasonably withheld or delayed. If the indemnitor assumes the defense of the claim, action, or proceeding, no compromise or settlement of such claim, action, or proceeding may be effected by the indemnitor without the indemnitee's consent unless (i) there is no finding or admission of any violation of law or the rights of any Person and no effect on any other claims, actions, or proceedings that may be made against the indemnitee and (ii) the sole relief provided is monetary damages and such damages and the associated costs of suit and attorneys' fees are paid in full by the indemnitor.

ARTICLE 11

DISPUTE RESOLUTION

11.1 Informal Dispute Resolution

If a dispute arises between the Parties relating to this Agreement, a Party shall give the other Party written notice of a dispute which has not been resolved in the normal course of business. Such notice shall include: (a) a statement of that Party's position and a summary of arguments supporting such position, and (b) the name and title of the executive who will be

representing that Party and of any other person who will accompany the executive. Within five (5) days after delivery of the notice, the receiving Party shall respond with (a) a statement of that Party's position and a summary of arguments supporting such position, and (b) the name and title of the executive who will represent that Party and of any other person who will accompany the executive. Within ten (10) days after delivery of the initial notice, the executives of both Parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. If, within twenty (20) days after such meeting, the Parties have not succeeded in negotiating a resolution of the dispute, then either Party may pursue any remedies available at law or in equity as set forth below.

11.2 Binding Arbitration

After the requirements of Section 11.1 have been satisfied, all disputes between the Parties, except where this Agreement requires otherwise, shall be submitted to an Ohio State court of competent jurisdiction ~~in the City of Columbus, Ohio~~ or to a federal court of competent jurisdiction situated in the ~~City of Columbus~~, State of Ohio, which courts shall have exclusive jurisdiction to settle disputes arising under or related to this Agreement.

11.3 Recourse to Agencies or Courts of Competent Jurisdiction

Notwithstanding Section 11.2, nothing in this Agreement shall restrict the rights of a Party to file a complaint with the FERC under relevant provisions of the Federal Power Act or with the PUCO under relevant provisions of the Legal Authorities. The Parties' agreement under this Section 11.3 is without prejudice to any Party's right to contest jurisdiction of the FERC or PUCO to which a complaint is brought.

ARTICLE 12

MISCELLANEOUS PROVISIONS

12.1 Assignment

(a) AEP Ohio may not assign this Agreement or its rights or obligation hereunder without the prior written consent of the applicable SSO Suppliers, which consent may not be unreasonably withheld, conditioned or delayed; provided, however, AEP Ohio may, without the

consent of the SSO Suppliers (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements; (ii) transfer or assign this Agreement to any Person having a Minimum Rating; and (iii) transfer or assign this Agreement to any Person succeeding to all or substantially all of the assets of AEP Ohio. Under (a)(ii) and (a)(iii) above, AEP Ohio shall be relieved of its obligations upon the assignment and assumption of the assignee, except for those obligations which have arisen prior to the date of assignment.

(b) An SSO Supplier may not assign this Agreement or any rights or obligation hereunder without the prior written consent of AEP Ohio, which consent may not be unreasonably withheld, conditioned or delayed; provided, however, an SSO Supplier may, without the consent of AEP Ohio (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements; (ii) transfer or assign this Agreement to any Person having a Minimum Rating; and (iii) transfer or assign this Agreement to any Person succeeding to all or substantially all of the assets of such SSO Supplier. Under (b)(ii) and (b)(iii) above, the assigning SSO Supplier shall be relieved of its obligations upon (x) the assignment and assumption of this Agreement by the assignee and (y) the assignee's satisfaction of the credit requirements set forth in Article 5, except for those obligations which have arisen prior to the date of assignment.

12.2 Notices

All notices, requests, statements or payments shall be made as specified below. Notices required to be in writing shall be delivered by letter, facsimile or other documentary form. Notice by regular mail shall be deemed to have been received by the earlier of actual receipt or three (3) Business Days after it has been sent. Notice by facsimile or hand delivery shall be deemed to have been received by the close of the Business Day on which it was transmitted or hand delivered (unless transmitted or hand delivered after close of normal business hours, in which case it shall be deemed to have been received at the close of the next Business Day). Notice by overnight mail or courier shall be deemed to have been received by the earlier of actual receipt or two (2) Business Days after it has been sent. A Party may change its addresses by providing notice of the same in accordance with this Section 12.2.

To AEP Ohio:

NOTICES & CORRESPONDENCE:

AEP Ohio
1 Riverside Plaza
Columbus, OH 43215
Attn: Contract Administration Manager

Contract Administration Manager Contact:

Email:

Phone:

Fax:

INVOICES:

Attention:

Email:

Fax Number:

Phone Number:

CREDIT:

Attention:

Mail Code:

Email:

Fax Number:

Phone Number:

PAYMENTS:

Institution:

Account No.:

ABA No:

SCHEDULING:

Attention:

Email:

Fax Number:

Phone Number:

To SSO Supplier:

Each SSO Supplier's notification information is set forth on Attachment A.

12.3 General

This Agreement constitutes the entire agreement between the Parties relating to the subject matter contemplated by this Agreement and supersedes all prior communications and proposals (oral or written). This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement). No waiver by a Party of any default by the other Party shall be construed as a waiver of any other default. Any provision declared or rendered unlawful by any applicable Governmental Authority or deemed unlawful

because of a statutory change will not otherwise affect the remaining lawful obligations that arise under this Agreement. The headings used herein are for convenience and reference purposes only.

12.4 Governing Law

To the extent not subject to the jurisdiction of FERC, this Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the State of Ohio, without regard to principles of conflicts of law.

12.5 Standard of Review

Except as provided in Section 12.6, this Agreement shall not be amended, modified, terminated, discharged or supplanted nor any provision hereof waived, unless mutually agreed in writing by the Parties. Except as provided in 12.6, the rates, terms and conditions contained in this Agreement are not subject to change under Sections 205 and 206 of the Federal Power Act, absent the written agreement of the Parties to change any provisions. Other than as expressly permitted in this Agreement, the standard of review for any changes proposed by a Party, a non-party, or the FERC, acting *sua sponte*, shall be the “public interest” application of the “just and reasonable” standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the “*Mobile-Sierra*” doctrine), as clarified by *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish*.

12.6 PJM Agreement Modifications

(a) If the PJM Agreements are amended or modified so that any term, schedule or section reference herein to such agreement is changed, such term, schedule or section reference herein shall be deemed automatically (and without any further action by the Parties) to refer to the new term, schedule or section of the PJM Agreements.

(b) If the applicable provisions of the PJM Agreements referenced herein, or any other PJM rules relating to the implementation of this Agreement, are changed materially from

those in effect on the Effective Date, the Parties shall cooperate to make the conforming changes to this Agreement.

12.7 Confidentiality

(a) The Parties shall hold in confidence any information disclosed by one Party to the other Party in connection with negotiation of or performance under this Agreement unless (i) required, pursuant to any applicable court order, administrative order, statute, regulation or other official order by any government or any agency or department thereof, to disclose; (ii) such information is already in the possession of the receiving party at the time of disclosure, as evidenced by the receiving party's written documentation; (iii) such information becomes subsequently available to the receiving party on a non-confidential basis from a source not known or reasonably suspected by the receiving party to be bound by a confidentiality agreement or secrecy obligation owed to the disclosing party; and (iv) such information is or becomes generally available to the public other than as a result of a breach of this Agreement.

(b) In the event of disclosure pursuant to 12.7(a)(i), AEP Ohio will attempt to notify the SSO Supplier in advance of such disclosure. However, neither AEP Ohio nor its employees, lenders, counsel, accountants, advisors or agents, will be responsible to the SSO Suppliers for any such disclosure and AEP Ohio reserves the right to communicate publicly to third parties any and all information and data submitted as part of this Agreement or Solicitation in any proceedings before FERC, the PUCO and any other regulatory body and the courts, without the prior consent of, or notice to the SSO Suppliers, if AEP Ohio deems such disclosure necessary.

(c) A Party may disclose information and documents provided in connection with this Agreement to its employees, lenders, counsel, accountants, advisors, or utility regulators who have a need to know such information and have agreed to keep such terms confidential.

(d) The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation.

12.8 Taxes

All present and future federal, state, municipal and other taxes imposed by any taxing authority by reason of the provision of SSO Supply by an SSO Supplier under this Agreement (collectively, the “Taxes”) will be the liability of the SSO Supplier, except for Ohio sales and use taxes imposed under Ohio Rev. Code Ann. Tit. 57, Chapters 5739, 5740 and 5741 (the “Ohio Sales and Use Taxes”), if any, which will be AEP Ohio’s responsibility. AEP Ohio shall provide the SSO Supplier with a valid Ohio Sales and Use Tax resale exemption certificate or direct pay permit, and an SSO Supplier shall not collect any Ohio Sales and Use Taxes from AEP Ohio nor remit any Ohio Sales and Use Taxes directly to the applicable taxing authority. AEP Ohio will defend and indemnify the SSO Supplier for any Ohio Sales and Use Taxes that the SSO Supplier may be required to remit directly to the applicable taxing authority and will pay to the SSO Supplier all such tax amounts upon demand. Each SSO Supplier shall pay all Taxes (other than Ohio Sales and Use Taxes) to the applicable taxing authority to the extent required or permitted by law. Should AEP Ohio be required to remit any Taxes directly to any applicable taxing authority (other than Ohio Sales and Use Taxes), the SSO Supplier will defend and indemnify AEP Ohio and will pay AEP Ohio all such Tax amounts upon demand.

Each Party shall provide to the other Party all information, data and exemption certificates as such other Party may from time to time reasonably request and otherwise fully cooperate with such other Party in connection with the reporting of (i) any Taxes payable by an SSO Supplier; (ii) any Tax audit; or (iii) any assessment, refund claim or proceeding relating to Taxes. Each Party shall cooperate with the other Party and take any action reasonably requested, which does not cause the Party to incur any material cost or inconvenience, in order to minimize any Taxes payable.

12.9 Record Retention

Each Party will retain for a period of two (2) years following the expiration of the Term necessary records so as to permit the Parties to confirm the accuracy of any statement, charge or computation made pursuant to this Agreement; provided that, if a Party provides notice within two (2) years of the expiration of the Term that it disputes the validity of any payments or

quantity of Energy delivered, the Parties agree that they will retain all records related to such dispute until the dispute is resolved pursuant to Article 11.

Each SSO Supplier will have the right, upon reasonable notice, to inspect (at the sole cost and expense of such SSO Supplier) the books and records retained by AEP Ohio only insofar as they relate to payments due and owing, or owed and paid, to such SSO Supplier. Such inspection must take place during regular business hours. AEP Ohio will have the right, upon reasonable notice, to inspect (at the sole cost and expense of AEP Ohio) the books and records retained by such SSO Supplier only insofar as they relate to Energy delivered by such SSO Supplier. Such inspection must take place during regular business hours.

12.10 Rules as to Usage

Except as otherwise expressly provided herein, the following rules shall apply to the usage of terms in this Agreement:

(a) The terms defined above have the meanings set forth above for all purposes, and such meanings are equally applicable to both the singular and plural forms of the terms defined.

(b) “Include,” “includes” and “including” shall be deemed to be followed by “without limitation” whether or not they are in fact followed by such words or words of like import.

(c) Any law defined or referred to above means such law as from time to time amended, modified or supplemented, including by succession of comparable successor law.

(d) “Hereof,” “herein,” “hereunder” and comparable terms refer, unless otherwise expressly indicated, to the entire agreement or instrument in which such terms are used and not to any particular article, section or other subdivision thereof or attachment thereto. References in an instrument to “Article,” “Section,” or another subdivision or to an attachment are, unless the context otherwise requires, to the relevant article, section, subsection or subdivision of or an attachment to such agreement or instrument. If such reference in this Agreement to “Article,” “Section,” or other subdivision does not specify an agreement or document, such reference refers to an article, section or other subdivision of this Agreement. All references to exhibits or

schedules in any agreement or instrument that is governed by this Agreement are to exhibits or schedules attached to such instrument or agreement.

(e) All titles and headings used herein are for convenience and references purposes only, and shall not be applicable in construing or interpreting obligations under this Agreement.

(f) The word “or” will have the inclusive meaning represented by the phrase “and/or.”

(g) “Shall” and “will” have equal force and effect.

12.11 Counterparts

This Agreement may be executed in counterparts, each of which will be considered an original, but all of which will constitute one instrument. Any counterpart may be delivered by facsimile transmission or by electronic communication in portable document format (.pdf) or tagged image format (.tif), and the Parties agree that their electronically transmitted signatures shall have the same effect as manually transmitted signatures.

[Signatures appear on next pages]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

OHIO POWER COMPANY

By_____

Name: _____

Title: _____

[SSO SUPPLIER SIGNATURES APPEAR ON SUCCEEDING PAGES]

[SSO SUPPLIER]

By: _____

Name:

Title

ATTACHMENTS

- A SSO Supplier Responsibility Share
- B Seasonal Billing Factor
- C Credit Examples
 - C-1 Independent Credit Requirement Per Tranche
 - C-2 Example Mark-To-Market Exposure Amount Calculation
- D Form of Guaranty
- E Form of SSO Supplier Letter of Credit
- F Sample PJM Invoice
- G Representative Form of PJM Declaration of Authority

ATTACHMENT A

SSO SUPPLIER RESPONSIBILITY SHARE

SSO Supplier	Price (\$MWh)	SSO Supplier Responsibility Share Percentage (%)	No. of Tranches
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_____	_____/MWh	_____%	_____
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Original Delivery Period: _____, 201_ at 12:01 a.m. prevailing Eastern Time through _____, 201_.

Fixed percentage per Tranche: _____%

Address for Notice:

1. In the case of all notices except those required under Article 5:

Name:
Address:
Telephone:
Facsimile:
E-mail:

Copy to:

Name:
Address:
Telephone:
Facsimile:
E-mail:

2. Article 5 Notices:

Name:
Address:
Telephone:
Facsimile:
E-mail:

[SSO SUPPLIER]

By: _____
Name:
Title:

ATTACHMENT B
SEASONAL BILLING FACTOR

The Seasonal Billing Factors are as follows:

June 1 through September 30 _____

October 1 through December 31 and
January 1 through May 31 _____

ATTACHMENT C-1

INDEPENDENT CREDIT REQUIREMENT PER TRANCHE

Month of Delivery Period	12-Month Procurement (\$/tranche)	24-Month Procurement (\$/tranche)	36-Month Procurement (\$/tranche)
Inception through Month 1	400,000	800,000	1,200,000
Month 2	400,000	800,000	1,200,000
Month 3	400,000	800,000	1,200,000
Month 4	300,000	700,000	1,100,000
Month 5	300,000	700,000	1,100,000
Month 6	300,000	700,000	1,100,000
Month 7	200,000	600,000	1,000,000
Month 8	200,000	600,000	1,000,000
Month 9	200,000	600,000	1,000,000
Month 10	100,000	500,000	900,000
Month 11	100,000	500,000	900,000
Month 12	100,000	500,000	900,000
Month 13		400,000	800,000
Month 14		400,000	800,000
Month 15		400,000	800,000
Month 16		300,000	700,000
Month 17		300,000	700,000
Month 18		300,000	700,000
Month 19		200,000	600,000
Month 20		200,000	600,000
Month 21		200,000	600,000
Month 22		100,000	500,000
Month 23		100,000	500,000
Month 24		100,000	500,000
Month 25			400,000
Month 26			400,000
Month 27			400,000
Month 28			300,000
Month 29			300,000
Month 30			300,000
Month 31			200,000
Month 32			200,000
Month 33			200,000
Month 34			100,000
Month 35			100,000
Month 36			100,000

ATTACHMENT C-2

EXAMPLE MARK-TO-MARKET EXPOSURE AMOUNT CALCULATION

The following is an illustration of the methodology AEP Ohio will use to determine the Mark-to-Market Exposure Amounts for each SSO Supplier.

On the closing day of the Solicitation, the following parameters will be determined by AEP Ohio:

1. The expected On-Peak SSO Load per Tranche;
2. The expected Off-Peak SSO Load per Tranche;
3. Prevailing On-Peak Forward Market Prices for each month during the Original Delivery Period;
4. Prevailing Off-Peak Forward Market Prices for each month during the Original Delivery Period;
5. On-Peak Price Adjustment Factors; and
6. Off-Peak Price Adjustment Factors.

For purposes of the Mark-to-Market Exposure Amount calculation, “On-Peak” means the hours between 7:00 a.m. and 11:00 p.m. prevailing Eastern Time on Monday through Friday, excluding NERC holidays. “Off-Peak” means any hours that are not considered On-Peak.

The SSO Load for each month will be calculated by multiplying (i) the number of customers then being provided generation service by AEP Ohio (the “Un-Switched Customers”) by (ii) the historical monthly average usage per customer derived from data including only the Un-Switched Customers served by AEP Ohio over a recent three-year period (“Historical Actual Usage”). The SSO Load will be calculated separately for each major rate class and then summed to determine the total SSO Load. The total SSO Load will then be separated into On-Peak and Off-Peak components (consistent with the definitions cited above), still on a monthly basis, based on the Historical Actual Usage for all customer classes combined. The SSO Load per Tranche (On-Peak and Off-Peak) will be equal to the fixed percentage, as set forth in Attachment A, of the total

SSO Load calculated for each component. The fixed percentage per Tranche may vary by auction and therefore, the SSO Load per Tranche will be calculated for each component based upon the fixed percentage per Tranche as set forth in Attachment A of the respective SSO Agreement.

To the extent that quoted Forward Market Prices are not available on a monthly basis, monthly Forward Market Prices will be determined by AEP Ohio with reference to available market price data. Notwithstanding the foregoing, if AEP Ohio is unable to obtain publicly available market price data for Forward Market Prices, Forward Market Prices will be determined by AEP Ohio using any method which AEP Ohio deems appropriate and which reasonably reflects forward market pricing conditions in PJM.

A set of monthly On-Peak Price Adjustment Factors and Off-Peak Price Adjustment Factors will be developed using historical PJM day-ahead hourly prices applied to hourly usage derived from Historical Actual Usage on the AEP Ohio system, which factors will be applied to On-Peak Forward Market Prices and Off-Peak Forward Market Prices respectively to yield Adjusted On-Peak Forward Market Prices and Adjusted Off-Peak Forward Market Prices. These Adjusted Forward Market Prices will be used for the purpose of computing the Mark-to-Market Exposure Amounts. The purpose of the Price Adjustment Factors is to restate the quoted Forward Market Prices, which are based on fixed block volumes of MWhs, to more closely approximate the price impact of serving a slice-of-system product which reflects hourly variations due to customer usage patterns. The Price Adjustment Factors are anticipated to be recalculated as of each future auction date and applied to all then existing Master SSO Supply Agreements.

The Adjusted Forward Market Prices prevailing on the closing day of the Solicitation are used to establish a “market value” for each month during the Original Delivery Period. Table 1 contains hypothetical initial Adjusted On-Peak and Off-Peak Forward Market Prices for a 24-month Original Delivery Period from June 2013 through May 2015. Table 1 shows the hypothetical “market value” of a Tranche, which will be established on the day the Solicitation is completed using the Adjusted Forward Market Prices determined as shown in Table 2.

For each calculation of the Mark-to-Market Exposure Amount, AEP Ohio will determine the Adjusted Forward Market Prices for each month during the Original Delivery Period. Table 3 shows the calculation of an updated “market value” using hypothetical Adjusted Forward Market Prices for each month during the Original Delivery Period assumed to be in effect immediately prior to the Delivery Period for the 24-month Original Delivery Period. The initial market value as of the Solicitation completion date is then subtracted from the updated market value to derive a change in market value. The Mark-to-Market Exposure Amount is then calculated on an undiscounted basis by multiplying this change in market value by Volume Adjustment Factors calculated for changes in On-Peak and Off-Peak per tranche loads. The final Mark-to-Market Exposure Amount is determined by stating the values on a present value basis as of the determination date by discounting the calculated values at the then prevailing LIBOR rate (not shown).

The On-Peak and Off-Peak Volume Adjustment Factors will be determined by recalculating the SSO Load per Tranche reflecting the then current number of Un-Switched Customers and Historical Actual Usage and calculating the On-Peak and Off-Peak ratios of the current SSO Load per Tranche to the initial SSO Load per Tranche. The value for Un-Switched Customers is anticipated to be updated on a monthly basis and the value of Historical Actual Usage is anticipated to be updated in conjunction with each successive auction of SSO Load, but not less than once each calendar year.

Table 1

Market Valuation on Solicitation Closing Date

[VALUES ARE FOR ILLUSTRATION ONLY]

	<u>Forward Market at Close of Solicitation (a)</u>		<u>Initial Tranche Volume (b)</u>		Mkt Value
	Adjusted On-Peak Market Price	Adjusted Off-Peak Market Price	On- Peak	Off- Peak	
	\$/MWh	\$/MWh	MWh	MWh	\$000
Jun-13	37.94	26.82	3,386	3,653	226
Jul-13	42.61	27.44	4,078	3,844	279
Aug-13	42.27	28.75	3,986	3,595	272
Sep-13	34.06	24.16	2,900	2,578	161
Oct-13	31.54	24.66	2,367	2,452	135
Nov-13	33.55	24.39	2,799	2,288	150
Dec-13	36.55	29.93	3,480	3,259	225
Jan-14	40.23	34.88	2,749	3,247	224
Feb-14	41.00	34.63	3,133	2,776	225
Mar-14	37.96	30.36	3,095	2,841	204
Apr-14	38.22	27.93	2,440	2,554	165
May-14	37.55	28.33	2,905	2,705	186
Jun-14	42.84	30.55	3,386	3,653	257
Jul-14	48.17	30.97	4,078	3,844	315
Aug-14	48.95	23.45	3,986	3,595	279
Sep-14	39.14	27.46	2,900	2,578	184
Oct-14	35.27	27.60	2,367	2,452	151
Nov-14	37.07	27.23	2,799	2,288	166
Dec-14	38.82	32.97	3,480	3,259	243
Jan-15	43.74	37.11	3,749	3,247	284
Feb-15	44.58	36.85	3,133	2,776	242
Mar-15	41.23	32.43	3,095	2,841	220
Apr-15	40.56	29.85	2,440	2,554	175
May-15	40.59	31.00	2,905	2,705	202

(a): Adjusted On-Peak and Off-Peak Forward Market Prices determined as shown on Table 2.

(b): Expected On-Peak and Off-Peak SSO Load per Tranche derived from Historical Actual Usage and number of Un-Switched Customer as described in Attachment C-2.

Table 2

Adjusted Market Price at Solicitation Closing Date
[VALUES ARE FOR ILLUSTRATION ONLY]

	<u>Forward Price at Close of Solicitation (a)</u>		<u>Price Adjustment Factor (b)</u>			
	On-Peak Market Price	Off-Peak Market Price	On- Peak	Off- Peak	Adjusted On-Peak Market Price	Adjusted Off-Peak Market Price
	\$/MWh	\$/MWh			\$/MWh	\$/MWh
Jun-13	36.00	24.40	1.054	1.097	37.94	26.82
Jul-13	41.80	26.80	1.019	1.024	42.61	27.44
Aug-13	40.80	26.80	1.037	1.073	42.27	28.75
Sep-13	33.90	24.10	1.006	1.002	34.06	24.16
Oct-13	32.10	23.90	0.983	1.032	31.54	24.66
Nov-13	33.40	24.90	1.004	0.980	33.55	24.39
Dec-13	36.30	29.50	1.008	1.015	36.55	29.93
Jan-14	40.10	33.50	1.002	1.041	40.23	34.88
Feb-14	40.20	33.50	1.021	1.034	41.00	34.63
Mar-14	37.70	30.10	1.006	1.009	37.96	30.36
Apr-14	37.60	28.40	1.017	0.982	38.22	27.93
May-14	37.60	27.10	0.999	1.046	37.55	28.33
Jun-14	40.60	27.80	1.054	1.097	42.84	30.55
Jul-14	47.30	30.20	1.019	1.024	48.17	30.97
Aug-14	47.20	21.90	1.036	1.073	48.95	23.45
Sep-14	38.90	27.40	1.006	1.002	39.14	27.46
Oct-14	35.90	26.70	0.983	1.032	35.27	27.60
Nov-14	36.90	27.80	1.004	0.980	37.07	27.23
Dec-14	38.50	32.50	1.008	1.015	38.82	32.97
Jan-15	43.70	35.60	1.002	1.041	43.74	37.11
Feb-15	43.70	35.60	1.021	1.034	44.58	36.85
Mar-15	41.00	32.10	1.006	1.009	41.23	32.43
Apr-15	39.90	30.40	1.017	0.982	40.56	29.85
May-15	40.60	29.60	0.999	1.046	40.59	31.00

(a): On-Peak and Off-Peak Forward Market Prices as determined by reference to available market price data at time of Solicitation Close Date.

(b) Price Adjustment Factors as determined by AEP Ohio as described in Attachment C-2.

Table 3
Market Valuation Immediately Prior to Start of Delivery Period

[VALUES ARE FOR ILLUSTRATION ONLY]

	<u>Forward Price (a)</u>		<u>Initial Tranche Volume (b)</u>		<u>Current Mkt</u>	<u>Original Mkt Value on Solicitation Closing Date (c)</u>	<u>Change in Mkt Value</u>	<u>Volume Adjustment Factor</u>		<u>Volume Adjustment Change in Mkt Value</u>
	<u>On- Peak Market Price</u>	<u>Off- Peak Market Price</u>	<u>On- Peak</u>	<u>Off- Peak</u>				<u>On- Peak</u>	<u>Off- Peak</u>	
	\$/MWh	\$/MWh	MWh	MWh	\$000	\$000	\$000			\$000
Jun-13	39.60	26.90	3,386	3,653	232	226	6	0.8810	0.8955	5
Jul-13	45.98	29.48	4,078	3,844	301	279	22	1.0025	1.0054	22
Aug-13	44.88	29.48	3,986	3,595	285	272	13	1.0022	1.0061	14
Sep-13	37.24	26.51	2,900	2,578	176	161	15	1.0060	1.0088	15
Oct-13	35.31	26.29	2,367	2,452	148	135	13	1.0022	1.0039	13
Nov-13	36.74	27.39	2,799	2,288	166	150	16	1.0002	1.0019	16
Dec-13	39.88	32.45	3,480	3,259	245	225	20	1.0000	1.0013	20
Jan-14	49.90	45.44	2,749	3,247	285	264	21	0.9460	0.9415	58
Feb-14	44.17	36.85	3,133	2,776	241	225	16	0.9952	0.9873	16
Mar-14	41.53	33.11	3,095	2,841	223	204	19	0.9581	0.9865	19
Apr-14	41.36	31.30	2,440	2,554	181	165	16	0.9069	0.9120	15
May-14	41.36	29.81	2,905	2,705	201	186	15	0.9293	0.9289	14
Jun-14	44.72	30.64	3,386	3,653	263	257	6	0.8810	0.8955	5
Jul-14	51.98	33.28	4,078	3,844	340	315	25	1.0025	1.0054	25
Aug-14	51.98	33.28	3,986	3,595	327	312	15	1.0022	1.0061	48
Sep-14	42.79	30.14	2,900	2,578	202	184	18	1.0059	1.0088	17
Oct-14	39.49	29.43	2,367	2,452	166	151	15	1.0021	1.0039	14
Nov-14	40.59	30.58	2,799	2,288	184	166	18	1.0002	1.0019	18
Dec-14	42.35	35.75	3,480	3,259	264	243	21	1.0000	1.0014	22
Jan-15	48.02	39.22	3,749	3,247	307	284	23	0.9460	0.9416	22
Feb-15	48.02	39.22	3,133	2,776	259	242	17	0.9952	0.9873	17
Mar-15	45.10	35.37	3,095	2,841	240	220	20	0.9582	0.9865	19
Apr-15	43.89	33.44	2,440	2,554	192	175	17	0.9070	0.9120	15
May-15	44.72	32.62	2,905	2,705	218	202	16	0.9293	0.9289	15
Total Mark to Market Exposure per Tranche(before discounting)(d)										464

(a): Adjusted On-Peak and Off-Peak Forward Market Prices determined as described in Attachments C-2 as of the date immediately prior to start of Delivery Period.

(b) Expected ON-Peak and Off-Peak SSO Load per Tranche determined as of Solicitation Closing Date - see Table 1.

(c):Original Market Value at Solicitation shown on Table 1.

(d) Actual values will be determined by calculating the present value of the Volume Adjusted Change in Market Value.

ATTACHMENT D
FORM OF GUARANTY

[ICT / TOTAL EXPOSURE AMOUNT] GUARANTY OF
_____ [Guarantor]

This Guaranty, dated as of _____, 201_, is made by _____, a _____ [corporation] (the "Guarantor"), for the benefit of Ohio Power Company, an Ohio corporation ("AEP Ohio"). Capitalized terms used herein but not defined herein shall have the meaning given such terms in the Agreement (as defined below).

WHEREAS, AEP Ohio has entered into or will be entering into that certain Master SSO Supply Agreement dated _____, 201_ (the "Agreement") with _____, a _____ [corporation] (the "SSO Supplier"), which may involve the extension of credit by AEP Ohio. Guarantor hereby acknowledges that it will receive a direct or indirect benefit from the business transactions between the SSO Supplier and AEP Ohio and the making of this Guaranty.

NOW, THEREFORE, in consideration of, and as an inducement for, AEP Ohio entering into the Agreement, the Guarantor hereby covenants and agrees as follows:

1. **Guaranty.** The Guarantor hereby unconditionally and absolutely guarantees to AEP Ohio the prompt payment when due, subject to any applicable grace period and upon demand in writing from AEP Ohio, of any and all amounts payable by the SSO Supplier to AEP Ohio arising out of the Agreement in connection with SSO Supplier's [ICR / Total Exposure Amount] (the "Obligations"). Notwithstanding the aggregate amount of the Obligations at any time or from time to time payable by the SSO Supplier to AEP Ohio, the liability of the Guarantor to AEP Ohio shall not exceed _____ U.S. Dollars (\$_____).

2. **Nature of Guaranty.** The Guarantor hereby agrees that its obligations hereunder shall be unconditional irrespective of the impossibility or illegality of performance by the SSO Supplier under the Agreement; the absence of any action to enforce the Agreement; any waiver or consent by AEP Ohio concerning any provisions of the Agreement; the rendering of any judgment against the SSO Supplier or any action to enforce the same; any failure by AEP Ohio to take any steps necessary to preserve its rights to any security or collateral for the Obligations; the release of all or any portion of any collateral by AEP Ohio; or any failure by AEP Ohio to perfect or to keep perfected its security interest or lien in any portion of any collateral.

This Guaranty is one of payment and not of collection. This Guaranty shall remain in full force and effect or shall be reinstated (as the case may be) if at any time any payment guaranteed hereunder, in whole or in part, is rescinded or must otherwise be returned by AEP Ohio upon the insolvency, bankruptcy or reorganization of the SSO Supplier or otherwise, all as though such payment had not been made.

3. **Waivers.** Guarantor's obligation hereunder with respect to the Obligations shall not be affected by the existence, validity, enforceability, perfection or extent of any collateral for such

Obligations covered hereunder, or by any extension, or the acceptance of any sum or sums on account of SSO Supplier, or of any note or draft of SSO Supplier and/or any third party, or security

from SSO Supplier. AEP Ohio shall not be obligated to file any claim relating to the Obligations owing to it in the event that SSO Supplier becomes subject to bankruptcy, insolvency, reorganization, liquidation, dissolution, or similar proceedings affecting SSO Supplier (whether voluntary or involuntary), and the failure of AEP Ohio to so file shall not affect Guarantor's obligations hereunder.

4. **Effect of Amendments.** Guarantor agrees that AEP Ohio and SSO Supplier may modify or amend any or all of the Agreement and that AEP Ohio may, according to the Agreement, delay or extend the date on which any performance must be made under the Agreement, or release SSO Supplier from the obligation to so perform or waive any right thereunder, all without notice to or further assent by Guarantor, who shall remain bound by this Guaranty, notwithstanding any such act by AEP Ohio.

5. **Termination.** This Guaranty is intended to be and shall be construed to be a continuing, absolute and unconditional guaranty, and shall remain in full force and effect until all Obligations have been fully and finally performed, at which point it will expire. The Guarantor may terminate this Guaranty upon thirty (30) days prior written notice to AEP Ohio, which termination shall be effective only upon receipt by AEP Ohio of alternative means of security or credit support, as specified in the Agreement and in a form reasonably acceptable to AEP Ohio. Upon the effectiveness of any such expiration or termination, the Guarantor shall have no further liability under this Guaranty, except with respect to the Obligations existing prior to the time the expiration or termination is effective, which Obligations shall remain guaranteed pursuant to the terms of this Guaranty until finally and fully performed.

6. **Notices.** All notices and other communications about this Guaranty must be in writing, must be given by facsimile, hand delivery or overnight courier service and must be addressed or directed to the respective parties as follows:

If to AEP Ohio, to:

Facsimile No.: _____

Attn.: _____

If to the Guarantor, to:

Facsimile No.: _____

Attn.: _____

Notices are effective when actually received by the party to which they are given, as evidenced by facsimile transmission report, written acknowledgment or affidavit of hand delivery or courier receipt.

7. **Representations and Warranties.** The Guarantor represents and warrants to AEP Ohio as of the date hereof that:

a) The Guarantor is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has full power and legal right to execute and deliver this Guaranty and to perform the provisions of this Guaranty on its part to be performed;

b) The execution, delivery and performance of this Guaranty by the Guarantor have been and remain duly authorized by all necessary corporate action and do not contravene any provision of its certificate of incorporation or by-laws or any law, regulation or contractual restriction binding on it or its assets;

c) All consents, authorizations, approvals, registrations and declarations required for the due execution, delivery and performance of this Guaranty have been obtained from or, as the case may be, filed with the relevant governmental authorities having jurisdiction and remain in full force and effect, and all conditions thereof have been duly complied with and no other action by, and no notice to or filing with, any governmental authority having jurisdiction is required for such execution, delivery or performance; and

d) This Guaranty constitutes the legal, valid and binding obligation of the Guarantor enforceable against it in accordance with its terms, except as enforcement hereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights or by general equity principles.

8. **Certification.** The Guarantor hereby certifies that it satisfies the Minimum Rating as defined in the Agreement.

9. **Setoffs and Counterclaims.** Without limiting the Guarantor's own defenses and rights hereunder, the Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which the SSO Supplier is or may be entitled arising from or out of the Agreement, except for defenses arising out of bankruptcy, insolvency, dissolution or liquidation of the SSO Supplier.

10. **Subrogation.** The Guarantor will not exercise any rights that it may acquire by way of subrogation until all Obligations shall have been paid in full. Subject to the foregoing, upon payment of all such Obligations, the Guarantor shall be subrogated to the rights of AEP Ohio against the SSO Supplier, and AEP Ohio agrees to take at the Guarantor's expense such steps as the Guarantor may reasonably request to implement such subrogation.

11. **Expenses.** The Guarantor hereby agrees to pay on demand all reasonable out-of-pocket expenses (including the reasonable fees and expenses of AEP Ohio's counsel) in any way relating to the enforcement or protection of the rights of AEP Ohio hereunder; provided that the Guarantor shall not be liable for any expenses of AEP Ohio if no payment under this Guaranty is due.

12. **Assignment.** This Guaranty shall be binding upon the Guarantor and upon its permitted successors and assigns, and shall inure to the benefit of AEP Ohio and its permitted successors and assigns and shall apply to all successors and assigns of the SSO Supplier. The Guarantor may not assign this Guaranty nor delegate its duties or rights hereunder without the prior express written consent of AEP Ohio. AEP Ohio may assign this Guaranty in accordance with the terms of the Agreement.

13. **Amendments.** No term or provision of this Guaranty shall be amended, modified, altered, waived, or supplemented except in writing and signed by the parties hereto; provided, however, the Guarantor may increase the aggregate amount of the obligations in this Guaranty without a countersignature.

14. **Choice of Law and Venue.** The Guarantor and AEP Ohio hereby agree that this Guaranty shall be governed by and construed in accordance with the internal laws of the State of Ohio without giving effect to principles of conflicts of law.

15. **Waiver of Jury Trial.** The Guarantor and AEP Ohio, through acceptance of this Guaranty, waive all rights to trial by jury in any action, proceeding or counterclaim arising or relating to this Guaranty.

16. **Miscellaneous.** This Guaranty is the entire and only agreement between the Guarantor and AEP Ohio with respect to the guarantee of amounts payable by the SSO Supplier to AEP Ohio arising out of the Agreement in connection with SSO Supplier's [ICR / Total Exposure Amount]. All representations, warranties, agreements, or undertakings heretofore or contemporaneously made, which are not set forth herein, are superseded hereby.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed in its [corporate] name by its duly authorized representative as of the date first above written.

[GUARANTOR]

By: _____

Its: _____

ATTACHMENT E

FORM OF SSO SUPPLIER LETTER OF CREDIT

_____ (Date)

Letter of Credit No. _____

To: Ohio Power Company ("Beneficiary")
1 Riverside Plaza
Columbus, Ohio 43215
Attention: Credit Risk Management

1. We hereby establish in your favor this irrevocable transferable Letter of Credit (this "Letter of Credit") for the account of _____ (the "Applicant"), in the aggregate amount of \$_____, effective immediately and available to you at sight upon demand at our counters at _____ (location) and expiring 364 days from date of issuance or any extension thereof (in the form of Annex 5), unless terminated earlier or automatically extended in accordance with the provisions hereof or otherwise extended.

2. This Letter of Credit is issued at the request of the Applicant, and we hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, up to the maximum amount of this Letter of Credit, subject to reduction as provided in Paragraph 12 hereof. This Letter of Credit may be drawn:

(a) upon an Event of Default with respect to the Applicant under the Master Standard Service Offer Supply Agreement; or

(b) in the event the Applicant has failed to supply a substitute letter of credit thirty (30) days prior to the expiration of this Letter of Credit as required by the Master Standard Service Offer Supply Agreement.

3. A partial or full drawing hereunder may be made by you on any Business Day on or prior to the expiration of this Letter of Credit by delivering, by no later than 11:00 A.M. (prevailing Eastern Time¹) on such Business Day to _____ (Bank), _____ (address), (i) a notice in the form of Annex 1 hereto, appropriately completed and duly signed by an Authorized Officer of the Beneficiary and (ii) your draft in the form of Annex 2 hereto, appropriately completed and duly signed by an Authorized Officer of the Beneficiary.

4. We may, but shall not be obligated to, accept any request to issue a substitute letter of credit. Such request shall be in an Availability Certificate in the form of Annex 3 hereto by you to us for exchange for a new letter of credit in the amount set forth in an Availability Certificate, which amount shall not exceed the present value of this Letter of Credit. Upon acceptance by us of

¹ If the issuer of the Letter of Credit is located in an area that is not in the Eastern time zone, this time and all other times in this Letter of Credit, and the definition of a Business Day should be adjusted accordingly.

any such request to issue a substitute letter of credit for exchange, the new letter of credit shall be issued in the amount as set forth in the Availability Certificate.

5. We hereby agree to honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in the draft delivered to us in connection with such drawing to such account at such banks in the United States as you may specify in your draft delivered to us pursuant to Paragraph 3 hereof, by 3:00 P.M. prevailing Eastern Time on the date of such drawing, if delivery of this requisite document is made prior to 11:00 A.M. (prevailing Eastern time) on a Business Day pursuant to Paragraph 3 hereof, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery of the requisite document is made after 11:00 A.M. (prevailing Eastern time) on any Business Day pursuant to Paragraph 3 hereof.

6. If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, we shall give you prompt notice (not later than three (3) Business Days following the date of receipt of the documents) that the demand for payment was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reasons therefore and that we will upon your instructions hold any documents at your disposal or return the same to you. Upon being notified that the demand for payment was not effected in conformity with this Letter of Credit, you may attempt to correct any such non-conforming demand for payment to the extent that you are entitled to do so, provided, however, that in such event a conforming demand for payment must be timely made in accordance with the terms of this Letter of Credit.

7. This Letter of Credit will automatically terminate and be delivered to us for cancellation on the earliest of (i) the making by you of the drawings in an amount equal to the maximum amount available to be made hereunder; (ii) the date we issue a new letter of credit in exchange for this Letter of Credit in accordance with Paragraph 4 hereof; and (iii) the date we receive from you a Certificate of Expiration in the form of Annex 4 hereto. The Letter of Credit will be automatically extended without written amendment for successive additional one (1) year periods from the current or any future extended expiry date, unless at least ninety (90) days prior to such date of expiration, we give written notice to the Beneficiary by registered or certified mail, return receipt requested, or by overnight courier, at the address set forth above, or at such other address of which prior written notice has been provided to us, that we elect not to renew this Letter of Credit for such additional one (1) year period.

8. As used herein:

“Authorized Officer” shall mean President, Treasurer, any Vice President, any Assistant Treasurer or any other person holding an equivalent title.

“Availability Certificate” shall mean a certificate substantially in the form of Annex 3 hereto, appropriately completed and duly signed by an Authorized Officer of the Beneficiary.

“Business Day” shall mean any day on which commercial banks are not authorized or required to close in New York, NY and any day on which payments can be effected on the Fed wire system.

“Master Standard Service Offer Supply Agreement” shall mean that certain Master Standard Service Offer Supply Agreement between the Applicant and the Beneficiary, dated _____.

9. This Letter of Credit is assignable and transferable, in accordance with Annex 6, to an entity certified by you to us in the form of Annex 6, and we hereby consent to such assignment or transfer, provided that this Letter of Credit may not otherwise be amended or modified without consent from us, you and the Applicant, and, except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 Revision, ICC Publication No. 600, or any successor publication thereto (the “UCP”). Any and all banking charges, transfer fees, expenses and costs shall be borne by the Applicant. This Letter of Credit shall, as to matters not governed by the UCP, be governed and construed in accordance with New York law, without regard to principles of conflicts of law.

10. This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, changed, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Annexes 1 through 6 hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as set forth above.

11. We certify that as of _____ (date) we _____ (“Bank”) satisfy the minimum long-term senior unsecured debt rating of “A-” from Standard & Poor’s Rating Services or “A3” from Moody’s Investors Service, Inc.

12. The amount which may be drawn by you under this Letter of Credit shall be automatically reduced by the amount of any drawings paid through us referencing this Letter of Credit No. _____. Partial drawings are permitted hereunder. Drafts showing amounts in excess of amounts available under this Letter of Credit are acceptable, however, in no event will payment exceed the amount available to be drawn under this Letter of Credit.

13. Faxed document(s) are acceptable. Presentation by fax must be made to fax number _____ confirmed by telephone to _____.

14. In the event of act of God, riot, civil commotion, insurrection, war, terrorism or any strikes or lock outs, or any cause beyond our control, that interrupts our business, and causes the place for presentation of this Letter of Credit to be closed for business on the last day of presentation, the expiration date of this Letter of Credit shall be automatically extended without amendment to a date thirty (30) calendar days after the place for presentation reopens for business.

15. This original Letter of Credit has been sent to the Beneficiary located at _____ (as per Applicant’s instructions). Any demands or communications in the form of the attached Annexes (except for Annex 5) or other communications directed to us under this Letter of Credit must be signed by an Authorized Officer of the Beneficiary. Acceptance or rejection of any amendments to this Letter of Credit or any extensions pursuant to Annex 5 must be signed by an Authorized Officer of the Beneficiary.

Very truly yours,

(Bank)

By: _____
Name: _____
Title:

By: _____
Name: _____
Title:

Annex 1 to Letter of Credit

DRAWING UNDER LETTER OF CREDIT NO. _____

_____, 20__

To: (Bank)
(Address)

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

The undersigned is making a drawing under the above-referenced Letter of Credit in the amount specified below and hereby certifies to you as follows:

1. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the Letter of Credit.

2. Pursuant to Paragraph 2 of the Letter of Credit No. _____, dated _____, 20__, the undersigned is entitled to make a drawing under the Letter of Credit in the aggregate amount of \$_____, inasmuch as (choose one of the following by placing an "X" on the line preceding the statement):

_____ (a) An Event of Default has occurred with respect to the Applicant under the Master Standard Service Offer Supply Agreement;

_____ (b) The Applicant has failed to supply a substitute letter of credit thirty (30) days prior to the expiration of this Letter of Credit as required by the Master Standard Service Offer Supply Agreement.

3. The amount to be received by Ohio Power Company is \$_____.

4. We acknowledge that, upon your honoring the drawing herein requested, the amount of the Letter of Credit available for drawing shall be automatically decreased by an amount equal to this drawing.

Very truly yours,

Ohio Power Company

By: _____

Name:

Title:

Date:

Annex 2 to Letter of Credit

DRAWING UNDER LETTER OF CREDIT NO. _____

_____, 20__

ON [Business Day set forth in Paragraph 5]

PAY TO: Ohio Power Company

\$ _____

For credit to the account of _____.

FOR VALUE RECEIVED AND CHARGE TO ACCOUNT OF LETTER OF CREDIT NO.
_____ OF

(Bank)

(Address)

Ohio Power Company

By: _____

Name:

Title:

Date:

Annex 3 to Letter of Credit

AVAILABILITY CERTIFICATE
UNDER LETTER OF CREDIT NO. _____

_____, 20__

To: (Bank)
(Address)

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

Each of the undersigned hereby requests that, in exchange for the above-referenced Letter of Credit, a new letter of credit be issued in the aggregate amount of \$_____ (the “New Amount”) and to expire on _____(date), but otherwise in the form of the above-referenced Letter of Credit.

Please acknowledge your intention to issue such new letter of credit in the New Amount upon the surrender of the above-referenced Letter of Credit by signing the attached acknowledgment copy hereof and forwarding it to:

[Beneficiary’s Address]

Very truly yours,

Ohio Power Company

By: _____

Name:

Title:

Date:

Agreed and Accepted
(Bank)

By: _____

Title:

Date:

APPLICANT NAME

By:

Name:

Title:

Date:

Annex 4 to Letter of Credit

CERTIFICATE OF EXPIRATION
OF LETTER OF CREDIT NO. _____

_____, 20__

To: (Bank)
(Address)

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without payment. Attached hereto is said Letter of Credit, marked cancelled.

Ohio Power Company

By: _____

Name:

Title:

Date:

cc: _____ (Applicant Name)

Annex 5 to Letter of Credit

NOTICE OF EXTENSION
OF LETTER OF CREDIT NO. _____

_____, 20__

To: Ohio Power Company

Attention: Chief Risk Officer

Re: Our Letter of Credit No. _____ presently in the aggregate amount of
USD _____ issued for the account of _____ and expiring on
_____.

On the expiration date of the Letter of Credit No. _____, we will issue a new Letter of
Credit No. _____ to expire on _____ (date). This new Letter of Credit No.
_____ will, aside from the expiration date, be in the amount and form of our Letter
of Credit No. _____.

Very truly yours,

BANK _____

By:
Name:
Title:
Date:

Ohio Power Company

By: _____
Name:
Title:
Date:

cc: _____ (Applicant Name)

Annex 6 to Letter of Credit

NOTICE OF TRANSFER
OF LETTER OF CREDIT NO. _____

_____, 20__

To:

[Bank]

[Bank Address]

To Whom It May Concern:

Re: Credit _____

Issued by _____

Advice No _____

For the value received, the undersigned Beneficiary hereby irrevocably transfers to:

(Name of Transferee)

(Address)

all rights of the undersigned Beneficiary to draw under the above Letter of Credit in its entirety.

By this transfer, all rights of the undersigned Beneficiary in such Letter of Credit are transferred to the transferee and the transferee shall have the sole rights as beneficiary thereof, including sole rights relating to any amendments, whether increases, extensions or other amendments and whether now existing or hereafter made. All amendments are to be advised direct to the transferee without necessity of any consent of or notice to the undersigned beneficiary.

The advice of such Letter of Credit is returned herewith, and we ask you to endorse the transfer on the reverse thereof, and forward it directly to the transferee with your customary notice of transfer.

Very truly yours,

Ohio Power Company

By: _____

Name:

Title:

Date:

The above signature with title as stated conforms to that on file with us and is authorized for the execution of said instruments.

(Name of authenticating party)

(Authorized signature of authenticating party)

Name

Title

ATTACHMENT F

SAMPLE PJM INVOICE

PJM Billing Statement Line Items (as of 11.7.13)		
ID #	Resp.	CHARGES
1000	SSO S	Amount Due for Interest on Past Due Charges
1100	EDC	Network Integration Transmission Service
1108	EDC	Transmission Enhancement
1110	SSO S	Direct Assignment Facilities
1120	SSO S	Other Supporting Facilities
1130	SSO S	Firm Point-to-Point Transmission Service
1133	SSO S	Firm Point-to-Point Transmission Service Resale
1140	SSO S	Non-Firm Point-to-Point Transmission Service
1143	SSO S	Non-Firm Point-to-Point Transmission Service Resale
1200	SSO S	Day-ahead Spot Market Energy
1205	SSO S	Balancing Spot Market Energy
1210	SSO S	Day-ahead Transmission Congestion
1215	SSO S	Balancing Transmission Congestion
1218	SSO S	Planning Period Congestion Uplift
1220	SSO S	Day-ahead Transmission Losses
1225	SSO S	Balancing Transmission Losses
1230	SSO S	Inadvertent Interchange
1240	SSO S	Day-ahead Economic Load Response
1241	SSO S	Real-time Economic Load Response
1242	SSO S	Day-Ahead Load Response Charge Allocation
1243	SSO S	Real-Time Load Response Charge Allocation
1245	SSO S	Emergency Load Response
1250	SSO S	Meter Error Correction
1260	SSO S	Emergency Energy
1301	SSO S	PJM Scheduling, System Control and Dispatch Service - Control Area Administration
1302	SSO S	PJM Scheduling, System Control and Dispatch Service - FTR Administration
1303	SSO S	PJM Scheduling, System Control and Dispatch Service - Market Support
1304	SSO S	PJM Scheduling, System Control and Dispatch Service - Regulation Market Administration
1305	SSO S	PJM Scheduling, System Control and Dispatch Service - Capacity Resource/Obligation Mgmt.
1306	SSO S	PJM Scheduling, System Control and Dispatch Service - Advanced Second Control Center
1307	SSO S	PJM Scheduling, System Control and Dispatch Service - Market Support Offset
1308	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - Control Area Administration
1309	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - FTR Administration
1310	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - Market Support
1311	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - Regulation Market Administration

1312	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - Capacity Resource/Obligation Mgmt.
1313	SSO S	PJM Settlement, Inc.
1314	SSO S	Market Monitoring Unit (MMU) Funding
1315	SSO S	FERC Annual Recovery
1316	SSO S	Organization of PJM States, Inc. (OPSI) Funding
1317	SSO S	North American Electric Reliability Corporation (NERC)
1318	SSO S	Reliability First Corporation (RFC)
1320	EDC	Transmission Owner Scheduling, System Control and Dispatch Service
1330	EDC	Reactive Supply and Voltage Control from Generation and Other Sources Service
1340	SSO S	Regulation and Frequency Response Service
1350	SSO S	Energy Imbalance Service
1360	SSO S	Synchronized Reserve
1362	SSO S	Non-Synchronized Reserve
1365	SSO S	Day-ahead Scheduling Reserve
1370	SSO S	Day-ahead Operating Reserve
1371	SSO S	Day-ahead Operating Reserve for Load Response
1375	SSO S	Balancing Operating Reserve
1376	SSO S	Balancing Operating Reserve for Load Response
1377	SSO S	Synchronous Condensing
1378	SSO S	Reactive Services
1380	SSO S	Black Start Service
1400	SSO S	Load Reconciliation for Spot Market Energy
1410	SSO S	Load Reconciliation for Transmission Congestion
1420	SSO S	Load Reconciliation for Transmission Losses
1430	SSO S	Load Reconciliation for Inadvertent Interchange
1440	SSO S	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service
1441	SSO S	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund
1442	SSO S	Load Reconciliation for Schedule 9-6 - Advanced Second Control Center
1444	SSO S	Load Reconciliation for Market Monitoring Unit (MMU) Funding
1445	SSO S	Load Reconciliation for FERC Annual Recovery
1446	SSO S	Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding
1447	SSO S	Load Reconciliation for North American Electric Reliability Corporation (NERC)
1448	SSO S	Load Reconciliation for Reliability First Corporation (RFC)
1450	EDC	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service
1460	SSO S	Load Reconciliation for Regulation and Frequency Response Service
1470	SSO S	Load Reconciliation for Synchronized Reserve
1472	SSO S	Load Reconciliation for Non-Synchronized Reserve
1475	SSO S	Load Reconciliation for Day-ahead Scheduling Reserve
1478	SSO S	Load Reconciliation for Balancing Operating Reserve
1480	SSO S	Load Reconciliation for Synchronous Condensing
1490	SSO S	Load Reconciliation for Reactive Services

1500	SSO S	Financial Transmission Rights Auction
1600	SSO S	RPM Auction
1610	SSO S	Locational Reliability
1650	SSO S	Non-Unit Specific Capacity Transaction
1660	SSO S	Demand Resource and ILR Compliance Penalty
1661	SSO S	Capacity Resource Deficiency
1662	SSO S	Generation Resource Rating Test Failure
1663	SSO S	Qualifying Transmission Upgrade Compliance Penalty
1664	SSO S	Peak Season Maintenance Compliance Penalty
1665	SSO S	Peak-Hour Period Availability
1720	SSO S	RTO Start-up Cost Recovery
1730	SSO S	Expansion Cost Recovery
1920	SSO S	Station Power
1930	SSO EDC	Generation Deactivation
1980	SSO S	Miscellaneous Bilateral
1995	SSO S	PJM Annual Membership Fee
1999	SSO S	PJM Customer Payment Default
ID #	Resp.	CREDITS
2100	SSO S	Network Integration Transmission Service
2106	SSO S	Non-Zone Network Integration Transmission Service
2108	SSO S	Transmission Enhancement
2110	SSO S	Direct Assignment Facilities
2120	SSO S	Other Supporting Facilities
2130	EDC	Firm Point-to-Point Transmission Service
2132	SSO S	Internal Firm Point-to-Point Transmission Service
2133	SSO S	Firm Point-to-Point Transmission Service Resale
2140	EDC	Non-Firm Point-to-Point Transmission Service
2142	SSO S	Internal Non-Firm Point-to-Point Transmission Service
2143	SSO S	Non-Firm Point-to-Point Transmission Service Resale
2210	SSO S	Transmission Congestion
2217	SSO S	Planning Period Excess Congestion
2218	SSO S	Planning Period Congestion Uplift
2220	SSO S	Transmission Losses
2240	SSO S	Day-ahead Economic Load Response
2241	SSO S	Real-time Economic Load Response
2245	SSO S	Emergency Load Response
2260	SSO S	Emergency Energy
2320	SSO S	Transmission Owner Scheduling, System Control and Dispatch Service
2330	SSO S	Reactive Supply and Voltage Control from Generation and Other Sources Service
2340	SSO S	Regulation and Frequency Response Service
2350	SSO S	Energy Imbalance Service

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2360	SSO S	Synchronized Reserve
2365	SSO S	Day-ahead Scheduling Reserve
2370	SSO S	Day-ahead Operating Reserve
2371	SSO S	Day-ahead Operating Reserve for Load Response
2375	SSO S	Balancing Operating Reserve
2376	SSO S	Balancing Operating Reserve for Load Response
2377	SSO S	Synchronous Condensing
2378	SSO S	Reactive Services
2380	SSO S	Black Start Service
2420	SSO S	Load Reconciliation for Transmission Losses
2500	SSO S	Financial Transmission Rights Auction
2510	SSO S	Auction Revenue Rights
2600	SSO S	RPM Auction
2620	SSO S	Interruptible Load for Reliability
2630	SSO S	Capacity Transfer Rights
2640	SSO S	Incremental Capacity Transfer Rights
2650	SSO S	Non-Unit Specific Capacity Transaction
2660	SSO S	Demand Resource and ILR Compliance Penalty
2661	SSO S	Capacity Resource Deficiency
2662	SSO S	Generation Resource Rating Test Failure
2663	SSO S	Qualifying Transmission Upgrade Compliance Penalty
2664	SSO S	Peak Season Maintenance Compliance Penalty
2665	SSO S	Peak-Hour Period Availability
2666	SSO S	Load Management Test Failure
2912	SSO S	CT Lost Opportunity Cost Allocation
	SSO	
2930	SSO EDC	Generation Deactivation
2980	SSO S	Miscellaneous Bilateral

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ATTACHMENT G

SAMPLE FORM OF DECLARATION OF AUTHORITY

This Declaration of Authority is made this ____ day of ____, ____ by Ohio Power Company (“**PARTY A**”) and [SSO Supplier] (“**PARTY B**”) for the benefit of PJM Interconnection, L.L.C. (“**PJM**”).

RECITALS:

WHEREAS, PJM is a Regional Transmission Organization subject to the jurisdiction of the Federal Energy Regulatory Commission;

WHEREAS, PJM administers centralized markets that clear various electric energy and energy-related products among multiple buyers and sellers;

WHEREAS, PJM additionally exercises operational control over its members’ transmission facilities whereby PJM provides control area functions, including economic dispatch, the scheduling of transmission service and emergency response to ensure reliability across an integrated transmission system; and

WHEREAS, in capacities more fully described below, PARTY A and PARTY B seek to participate either directly or indirectly in the markets administered by PJM or engage in operations that use or affect the integrated transmission system operated by PJM.

DECLARATION:

NOW, THEREFORE, acknowledging that PJM will rely on the truth, accuracy and completeness of the statements made below, PARTY A and PARTY B, as indicated below, provide the following declaration:

1. Declaration.

a. PARTY B hereby declares that in all activities with PJM regarding PARTY B’s provision of energy, capacity, ancillary services, scheduling and procurement of transmission service, congestion management and all other required products and services necessary to serve the load obligation assumed by PARTY B under the Master SSO Supply Agreement, dated [____], by and between PARTY A and Party B (the "Agreement"), PARTY B shall be billed and be primarily liable to PJM for all costs associated in its procurement of such products and services (the "Declaration").

2. Reliance On Declarations

a. Each of PARTY A and PARTY B recognizes and accepts that PJM is relying on the truth, accuracy and completeness of the Declaration made in making its

assessments as to creditworthiness and in assuring PJM's own compliance with its tariff, operating agreement, reliability agreement and business practices.

b. Each of PARTY A and PARTY B recognizes and accepts that each has a continuing duty to notify PJM if and when the Declaration made cease to be accurate and complete. Until such time as PJM receives written notification of any changes to such Declaration, signed by both PARTY A and PARTY B, PJM shall be entitled to rely perpetually on this Declaration as governing its relationship with PARTY A and PARTY B as to the subject matter of this Declaration. Any written notice of changes to the Declaration must be provided to PJM at least thirty days in advance of their effectiveness.

c. Each of PARTY A and PARTY B recognize and acknowledge that PJM will receive and rely on individually modeled accounts that contain only zonal-specific Provider of Last Resort load to manually adjust the accounts to move the applicable billing line items' amounts in their entirety from the applicable supplier's account to the applicable buyer's account.

d. PARTY A and PARTY B recognize and acknowledge that they have entered into the Agreement and that the Declaration is not intended in any way to change, revise or redistribute the rights and obligations of PARTY A or PARTY B under the Agreement. If the Declaration is determined to be inconsistent with any provision of the Agreement, with respect to the rights and obligations of PARTY A and PARTY B under the Agreement, the provisions of the Agreement shall be controlling on PARTY A and PARTY B.

3. Duration.

a. Each of PARTY A and PARTY B acknowledge and agree that the Declaration shall terminate upon the termination of the Agreement in accordance with its terms. To this end, within thirty (30) days prior to the termination of the Agreement in accordance with its terms or as soon thereafter as is practicable, each of PARTY A and PARTY B will provide written notice to PJM of the termination of the Declaration.

IN WITNESS WHEREOF, PARTY A and PARTY B execute this Declaration to be effective as of the date written above.

PARTY A

PARTY B

NAME:

NAME:

TITLE:

TITLE:

Attachment H –SSO Clean Agreement

Exhibit DBW -4

MASTER STANDARD SERVICE OFFER (“SSO”) SUPPLY AGREEMENT

BY AND BETWEEN

OHIO POWER COMPANY

AND

EACH SSO SUPPLIER SET FORTH ON ATTACHMENT A HERETO

_____, 20__

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MASTER SSO SUPPLY AGREEMENT

This Master SSO Supply Agreement (“Agreement”), dated as of _____, 201__ (“Effective Date”), is by and between Ohio Power Company, an Ohio corporation with offices at 1 Riverside Plaza, Columbus, Ohio (“AEP Ohio”) and each of the suppliers listed on Attachment A severally, but not jointly, (each an “SSO Supplier” and collectively “SSO Suppliers”). AEP Ohio and each SSO Supplier are hereinafter referred to individually as a “Party” or collectively as the “Parties”).

RECITALS

WHEREAS, AEP Ohio is an Ohio public utility that engages, inter alia, in providing Standard Service Offer supply within its service territory; and

WHEREAS, the PUCO found that it would serve the public interest for AEP Ohio to secure SSO Supply through a competitive bidding process; and

WHEREAS, each SSO Supplier was one of the winning bidders in a Solicitation for SSO Supply; and

WHEREAS, the PUCO has authorized AEP Ohio to contract with winning bidders for SSO Supply to serve SSO Load in accordance with the terms of this Agreement; and

WHEREAS, the PUCO subsequently ordered that “PIPP Customers” (as defined herein) be removed from taking service as an “SSO customer” (as defined herein) under this Agreement, so modifications to this Agreement have been made to exclude the PIPP Customers consistent with the PUCO order; and,

WHEREAS, AEP Ohio shall be responsible for the provision of any renewable energy resource requirement as set forth in Ohio Rev. Code Ann. Sections 4928.64 and 4928.65 and regulations promulgated in respect thereto; and

WHEREAS, each SSO Supplier will satisfy its Capacity obligations under the PJM Agreements associated with its respective SSO Supplier Responsibility Share in accordance with the PJM Agreements, including, without limitation, through participation in the base residual auction and incremental auctions administered by PJM; and

WHEREAS, AEP Ohio and the SSO Suppliers desire to enter into this Agreement setting forth their respective obligations concerning the provision of SSO Supply.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties intending to be legally bound hereby agree as follows:

ARTICLE 1

DEFINITIONS

The following definitions and any terms defined in this Agreement shall apply hereunder.

“AEP Load Zone” means that set of electrical locations, designated by PJM as Pnode ID number 8445784, determined pursuant to the applicable PJM Tariff, rules, agreements and procedures, representing the aggregate area of consumption that includes AEP Ohio within PJM and used for the purposes of scheduling, reporting withdrawal volumes, and settling Energy transactions at aggregated load levels, to facilitate Energy market transactions.

“AEP Ohio Indemnified Party” has the meaning set forth in Section 10.1(a).

“Affiliate” means, with respect to any Person, any other Person (other than an individual) that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“Ancillary Services” has the meaning set forth in the PJM Agreements.

“Bankrupt” means with respect to any entity, that such entity (i) files a petition or otherwise commences or acquiesces in a proceeding under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition is not withdrawn or dismissed within thirty (30) days after such filing, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is unable to pay its debts as they fall due.

“Bankruptcy Code” means those laws of the United States of America related to bankruptcy, codified and enacted as Title 11 of the United States Code, entitled “Bankruptcy” and found at 11 U.S.C. § 101 et seq.

“Billing Period” means hour ending 0100 on the first day of a calendar month through hour ending 2400 on the last day of the applicable calendar month.

“Billing Statement” has the meaning set forth in Section 6.1(a).

“Business Day” means any day except a Saturday, Sunday or a day PJM declares to be a holiday, as posted on the PJM website. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. prevailing Eastern Time, unless otherwise agreed to by the Parties in writing.

“Capacity” means “Unforced Capacity” as set forth in the PJM Agreements, or any successor measurement of capacity obligation of an LSE as may be employed in PJM (whether set forth in the PJM Agreements or elsewhere).

“Charge” means any fee, charge, PJM charge, the Energy Share Adjustment if in favor of AEP Ohio, or any other amount that is billable by AEP Ohio to the SSO Supplier under this Agreement.

“Commercial/Industrial Customer” means a Customer taking service under one of AEP Ohio’s non-residential rates (Rate GS-1, Rate GS-2, Rate GS-3, Rate GS-4, Rate GS-TOD, GS1-TOD, GS-2-TOD, Rate COGEN/SPP, Rate EHG, Rate EHS, or Rate SS.)

“Costs” mean, with respect to the Non-Defaulting Party, all reasonable attorney’s fees, brokerage fees, commissions, PJM charges and other similar transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations or entering into new arrangements which replace this Agreement; and all reasonable attorney’s fees and expenses incurred by the Non-Defaulting Party in connection with the termination of this Agreement as between AEP Ohio and the applicable SSO Supplier.

“Credit Limit” means an amount of credit, based on the creditworthiness of an SSO Supplier or its Guarantor, if applicable, determined pursuant to Section 5.6, granted by AEP Ohio to such SSO Supplier to be applied towards the Total Exposure Amount for such SSO Supplier.

“CRES Supplier” means a Person that is duly certified by the PUCO to offer and to assume the contractual and legal responsibility to provide Standard Service Offer pursuant to retail open access programs approved by the PUCO to Customers who are not SSO Customers of AEP Ohio.

“Cross Default Amount” means an amount equal to five percent (5%) of a Defaulting Party’s or Defaulting Party’s Guarantor’s (as applicable) Tangible Net Worth.

“Customer” means any Person who receives distribution service from AEP Ohio in accordance with the Legal Authorities.

“Default Allocation Assessment” has the meaning set forth in the PJM Agreements.

“Default Damages” means direct damages, calculated in a commercially reasonable manner, that the Non-Defaulting Party incurs as a result of an Event of Default by the Defaulting Party. Default Damages may include: (i) the positive difference (if any) between the price of SSO Supply hereunder and the price at which AEP Ohio or the SSO Supplier is able to purchase or sell (as applicable) SSO Supply (or any components of SSO Supply it is able to purchase or sell) from or to third parties including other SSO Suppliers and PJM; (ii) Emergency Energy charges; (iii) additional transmission or congestion charges incurred to purchase or sell SSO Supply; and (iv) Costs.

“Defaulting Party” has the meaning set forth in Section 7.1.

“Delivery Period” means the Original Delivery Period, unless this Agreement is terminated earlier in accordance with the provisions hereof.

“Delivery Point” means the AEP Load Zone as defined within PJM.

“Early Termination” has the meaning set forth in Section 2.3.

“Early Termination Date” means, as between AEP Ohio and the applicable SSO Supplier, the date upon which an Early Termination becomes effective as specified in Section 7.2(b).

“Effective Date” has the meaning set forth in the preamble.

“Emergency” means (i) an abnormal system condition requiring manual or automatic action to maintain system frequency, or to prevent loss of firm load, equipment damage, or tripping of system elements that could adversely affect the reliability of an electric system or the safety of persons or property; (ii) a condition that requires implementation of emergency operations procedures; or (iii) any other condition or situation that AEP Ohio, transmission owner(s) or PJM deems imminently likely to endanger life or property or to affect or impair AEP Ohio’s electrical system or the electrical system(s) of other Person(s) to which AEP Ohio’s electrical system is directly or indirectly connected (a “Connected Entity”). Such a condition or situation may include potential overloading of AEP Ohio’s subtransmission or distribution circuits, PJM minimum generation (“light load”) conditions, or unusual operating conditions on either AEP Ohio’s or a Connected Entity’s electrical system, or conditions such that AEP Ohio is unable to accept Energy from the SSO Supplier without jeopardizing AEP Ohio’s electrical system or a Connected Entity’s electrical system.

“Emergency Energy” has the meaning set forth in the PJM Agreements.

“Energy” means electric energy of the character commonly known as three-phase, sixty-hertz electric energy that is delivered at the nominal voltage of the Delivery Point, expressed in MWh.

“Energy Share Adjustment” means for any Billing Period, the monetary amount due to an SSO Supplier or AEP Ohio, as the case may be, in order to reconcile any difference between the Estimated Monthly Energy Share used for the purpose of calculating estimated payments made to such SSO Supplier for a given month and the Final Monthly Energy Share used for calculating the final payments due to the SSO Supplier for such month, as more fully described in Article 6.

“Estimated Monthly Energy Share” means a quantity of Energy expressed in MWh which, for any Billing Period, is the preliminary calculation of the SSO Supplier’s SSO Supplier Responsibility Share.

“Event of Default” has the meaning set forth in Section 7.1.

“Excess Collateral” has the meaning set forth in Section 5.7.

“FERC” means the Federal Energy Regulatory Commission or such succeeding organization.

“Final Monthly Energy Share” means a quantity of Energy expressed in MWh which, for any

Billing Period, is the Estimated Monthly Energy Share adjusted for any billing or metering errors found subsequent to the calculation of the Estimated Monthly Energy Share of which PJM is notified prior to the last date on which PJM issues a settlement statement for a previous operating day for the Billing Period.

“Firm Transmission Service” has the meaning ascribed to “Network Integration Transmission Service” under the PJM Agreements. In the event the PJM Agreements are modified such that “Network Integration Transmission Service” is no longer offered, Firm Transmission Service means the type of transmission service offered under the PJM Agreements that is accorded the highest level of priority for scheduling and curtailment purposes.

“Forward Market Prices” means forward market prices for a specific geographic Market Price Hub, as adjusted by AEP Ohio to reflect impact of load shape.

“Gains” means an amount equal to the present value of the economic benefit to the Non-Defaulting Party, if any, exclusive of Costs, resulting from an Early Termination.

“Governmental Authority” means any federal, state, local, municipal or other governmental entity, authority or agency, department, board, court, tribunal, regulatory commission, or other body, whether legislative, judicial or executive, together or individually, exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power over a Party to this Agreement.

“Guarantor” means any Person having the authority and agreeing to guarantee an SSO Supplier’s financial obligations under this Agreement, provided that such party meets AEP Ohio’s creditworthiness requirements for SSO Suppliers.

“Guaranty” means the ICT Guaranty or the Total Exposure Amount Guaranty, as applicable.

“ICR Collateral” has the meaning set forth in Section 5.4(d).

“ICRT” has the meaning set forth in Section 5.3.

“ICT Guaranty” means a guaranty, in the form substantially set forth in Attachment D, provided by a Guarantor in favor of AEP Ohio guaranteeing an SSO Supplier’s financial obligations in connection with ICT.

“Indemnification Losses” has the meaning set forth in Section 10.1(a).

“Indemnified Supplier” has the meaning set forth in Section 10.1(b).

“Independent Credit Requirement or ICR” means an amount per Tranche required as security under Section 5.3, to mitigate the risk to AEP Ohio of Energy price movements between the date of an Early Termination caused by an Event of Default by an SSO Supplier and the date the final calculation of Default Damages owing to AEP Ohio under Section 7.2(c) is made.

“Independent Credit Threshold or ICT” means an amount of credit, based on the creditworthiness of an SSO Supplier or its Guarantor, if applicable, determined pursuant to Section 5.4, granted by AEP Ohio to such SSO Supplier to be applied towards the satisfaction of such SSO Supplier’s Independent Credit Requirement.

“Interest Rate” means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate (“Prime Rate”) as may be published from time to time in the Federal Reserve Statistical Release H.15; or (b) the maximum lawful interest rate.

“Kilowatt or kW” means a unit of measurement of useful power equivalent to 1,000 watts.

“Kilowatt-hour or kWh” means one kilowatt of electric power used over a period of one hour.

“Legal Authorities” means, generally, those federal and Ohio statutes and administrative rules and regulations that govern the electric utility industry in Ohio.

“Letter of Credit” means a standby irrevocable letter of credit in the form set forth in Attachment E, or in such other form as AEP Ohio deems acceptable in its sole discretion, and in each case conforming to all of the requirements specifically set forth in Section 5.9(b).

“LIBOR” means the rates published daily as the London Inter-Bank Offered Rates for U.S. dollar deposits. For discounting purposes, the rates will be converted into a series of monthly rates representing the equivalent forward LIBOR rate from the valuation date to the month of delivery.

“Lighting Customer” means a Customer taking service under AEP Ohio’s lighting rates (Ohio Power Rate Zone: Rate AL or Rate SL; Columbus Southern Power Rate Zone: Rate AL or Rate SL).

“Load Serving Entity or LSE” has the meaning set forth in the applicable PJM Agreements.

“Losses” means an amount equal to the present value of the economic loss to the Non-Defaulting Party, if any, exclusive of Costs, resulting from an Early Termination.

“Margin” means, at any time, the amount by which the Total Exposure Amount exceeds the Credit Limit of the SSO Supplier or its Guarantor.

“Margin Call” has the meaning set forth in Section 5.6(e).

“Margin Collateral” has the meaning set forth in Section 5.6(e).

“Margin Interest Rate” means the Federal Funds Effective Rate, defined below, for the period of time the funds are on deposit. The Federal Funds Effective Rate is published daily on the Federal Reserve website at: <http://federalreserve.gov/releases/h15/update/>, or its successor.

“Mark-to-Market Exposure Amount” means an amount calculated daily for each SSO Supplier reflecting the exposure to AEP Ohio due to fluctuations in market prices for Energy as set forth in Section 5.5.

“Market Price Hub” means a liquid pricing point located within PJM’s geographic footprint.

“Minimum Margin Threshold” means \$100,000.

“Minimum Rating” means a minimum senior unsecured debt rating (or, if unavailable, corporate or issuer rating) as defined in Section 5.4(a).

“MW” means megaWatt.

“MWh” means megaWatt hour.

“NERC” means the North American Electric Reliability Corporation or its successor.

“Non-Defaulting Party” means (i) where an SSO Supplier is the Defaulting Party, AEP Ohio; (ii) where AEP Ohio is the Defaulting Party with respect to an Event of Default, the SSO Supplier to which the applicable obligation was owed.

“Ohio Sales and Use Taxes” has the meaning set forth in Section 12.8.

“Original Delivery Period” has the meaning set forth in Attachment A.

“Other Energy Supply Agreement” has the meaning set forth in Section 7.3(c).

“Party” has the meaning set forth in the preamble to this Agreement, and includes such Party’s successors and permitted assigns.

“Performance Assurance” means collateral in the form of cash, letters of credit, or other security reasonably acceptable to the requesting party.

“Person” means an individual, partnership, joint venture, corporation, limited liability company, trust, association or unincorporated organization, any Governmental Authority, or any other entity.

“PIPP Customers” means Customers that take service under AEP Ohio’s percentage of income payment plan.

“PJM” means PJM Interconnection, L.L.C. or any successor organization thereto.

“PJM Agreements” means the PJM OATT, PJM Operating Agreement, PJM RAA and any other applicable PJM manuals or documents, or any successor, superseding or amended versions thereof that may take effect from time to time.

“PJM E-Account” means an account obtainable through PJM which provides access to web-based PJM scheduling, settlement, accounting, marketing and other informational and economic systems.

“PJM OATT or PJM Tariff” means the Open Access Transmission Tariff of PJM or the successor, superseding or amended versions of the Open Access Transmission Tariff that may take effect from time to time.

“PJM Operating Agreement” means the Amended and Restated Operating Agreement of PJM or the successor, superseding or amended versions of the Amended and Restated Operating Agreement that may take effect from time to time.

“PJM RAA” means the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region or any successor, superseding or amended versions of the Reliability Assurance Agreement Among Load Serving Entities in the PJM Region that may take effect from time to time.

“Price” means, with respect to each SSO Supplier, the price in \$/MWh set forth in Attachment A, resulting from AEP Ohio’s Solicitation for the opportunity to provide SSO Supply. The Price is the basis for financial settlement of SSO Supply supplied by an SSO Supplier for SSO Customers under this Agreement.

“PUCO” means the Public Utilities Commission of Ohio, or any successor thereto.

“Residential Customer” means a Customer taking service under AEP Ohio’s residential rates (Ohio Power Rate Zone: Rate RS, Rate RS-ES, Rate RS-TOD or Rate RDMS; Columbus Southern Power Rate Zone: Rate R-R, Rate R-R-1, Rate RLM, Rate RS-ES, Rate RS-TOD, Rate RS-TOD2, Rate CPP or Rate RS-RTP).

“Seasonal Billing Factor” means a numerical factor, as set forth in Attachment B, one amount applicable during the summer months of June through September, and one amount applicable during the non-summer months of October through May, applied to the Price in accordance with the provisions of Article 6 and thereby used to adjust AEP Ohio’s payments to SSO Suppliers.

“Settlement Amount” means the net amount of the Losses or Gains, and Costs, expressed in U.S. Dollars, which the Non-Defaulting Party incurs as a result of Early Termination, calculated from the Early Termination Date through the end of the Original Delivery Period. For purposes of calculating the Settlement Amount, the quantity of Energy (and other components of SSO Supply) provided for under this Agreement for the period following the Early Termination Date through the remainder of the Original Delivery Period will be determined by the Non-Defaulting Party in a commercially reasonable manner reflecting estimated SSO Load for un-switched customers as of the Early Termination Date based on the then most recent load switching report filed by AEP Ohio with the PUCO as of the Early Termination Date. The calculation of Settlement Amount with respect to an Early Termination shall exclude Default Damages calculated pursuant to Section 7.3(a).

“Solicitation” means the auction by which the counterparty, quantity, pricing and other terms of this Agreement are established.

“Special Contract Customers” means Customers that take retail generation service from AEP Ohio under terms and conditions different than the otherwise applicable tariff.

“Specified Indebtedness” with respect to a Party means as of any date, without duplication, (i) all obligations of such Party for borrowed money, (ii) all indebtedness of such Party for the deferred purchase price of property or services purchased (excluding current accounts payable incurred in the ordinary course of business), (iii) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired, (iv) all indebtedness under leases which shall have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases in respect of which such Party is liable as lessee, (v) the face amount of all outstanding letters of credit issued for the account of such Party (other than letters of credit relating to indebtedness included in indebtedness of such Party pursuant to another clause of this definition) and, without duplication, the unreimbursed amount of all drafts drawn thereunder, (vi) indebtedness secured by any lien on property or assets of such Party, whether or not assumed (but in any event not exceeding the fair market value of the property or asset), (vii) all direct guarantees of indebtedness referred to above of another Party, (viii) all amounts payable in connection with mandatory redemptions or repurchases of preferred stock or member interests or

other preferred or priority equity interests and (ix) any obligations of such Party (in the nature of principal or interest) in respect of acceptances or similar obligations issued or created for the account of such Party.

“SSO Customers” means Residential Customers, Commercial/Industrial Customers, Lighting Customers, Special Contract Customers, and any other Customer taking retail generation service from AEP Ohio, but excluding PIPP Customers.

“SSO Load” means the full electricity requirements for SSO Service of SSO Customers.

“SSO Service” means Standard Service Offer service that is not provided by a CRES Supplier.

“SSO Supplier” has the meaning set forth in the preamble.

“SSO Supplier Responsibility Share” means, for each SSO Supplier, the fixed percentage share of the SSO Load for which the SSO Supplier is responsible as set forth in Attachment A.

“SSO Supply” means unbundled Energy, Capacity and Ancillary Services, including, to the extent not expressly assumed by AEP Ohio pursuant to Section 3.2, all transmission and distribution losses and congestion and imbalance costs associated with the provision of such services, as measured and reported to PJM, and such other services or products that an SSO Supplier may be required to provide, by PJM or other Governmental Authority, in order to meet the requirements of SSO Service.

“Standard Service Offer” means a market-based standard service offer provided by AEP Ohio under PUCO tariffs of all competitive retail electric services necessary to maintain essential electric service to Customers, including Energy, Capacity, Ancillary Services and Firm Transmission Service, including all transmission and distribution losses, congestion and imbalance costs associated with the provision of the foregoing services, other obligations or responsibilities currently imposed or that may be imposed by PJM, and such other services or products that are provided by a CRES Supplier to fulfill its obligations to serve customer load, as required by Section 4928.141 of the Ohio Revised Code.

“Tangible Net Worth” or “TNW” means total assets less intangible assets and total liabilities. Intangible assets include benefits such as goodwill, patents, copyrights and trademarks, each as would be reflected on a balance sheet prepared in accordance with generally accepted accounting principles.

“Taxes” have the meaning set forth in Section 12.8.

“Term” has the meaning set forth in Section 2.1.

“Termination Payment” has the meaning set forth in Section 7.3(c).

“Total Exposure Amount” means an amount calculated daily for each SSO Supplier reflecting the total credit exposure to AEP Ohio and consisting of the sum of: (i) the Mark-to-Market Exposure Amount arising under this Agreement; (ii) any amount(s) designated as the “mark-to-market exposure amount” (or similar designation) under any Other Energy Supply Agreement; and (iii) the amount designated as the “credit exposure” (or similar designation) under any Other Energy

Supply Agreement; less (iv) amounts due to such SSO Supplier pursuant to Section 6.1; provided that in the event the amount calculated for any day is a negative number, it shall be deemed to be zero for such day.

“Total Exposure Amount Guaranty” means a guaranty, in substantially similar form as set forth in Attachment D, provided by a Guarantor in favor of AEP Ohio guaranteeing an SSO Supplier’s financial obligation with respect to its Total Exposure Amount.

“Tranche” means a fixed percentage share of the SSO Load as determined for the purposes of the Solicitation conducted to procure SSO Supply for the SSO Load.

ARTICLE 2

TERM AND TERMINATION

2.1 Term

The Term of this Agreement shall begin on the Effective Date and extend through and include the end of May 31, 201__ (“Term”) unless terminated earlier or extended pursuant to the terms of this Agreement; provided, however, that the provision of SSO Supply by SSO Suppliers will commence on the period set forth in the applicable Attachment A as the Original Delivery Period starting at 12:01 a.m. prevailing Eastern Time and ending though the date specified in Attachment A.

2.2 Mutual Termination

AEP Ohio and any SSO Supplier may terminate this Agreement at any time during the Term on such terms and under such conditions as they mutually agree.

2.3 Early Termination

This Agreement may be terminated by a Party prior to the end of the Term due to an occurrence of an Event of Default and the declaration of an Early Termination Date by the Non-Defaulting Party pursuant to Section 7.2 (an “Early Termination”).

2.4 Effect of Termination

The applicable provisions of this Agreement shall continue in effect and survive the termination of this Agreement to the extent necessary to provide for final accounting, billing,

billing adjustments, resolution of any billing disputes, realization of any collateral or other security, set-off, final payments, or payments pertaining to liability and indemnification obligations arising from acts or events that occurred in connection with this Agreement during the Term.

ARTICLE 3

GENERAL TERMS AND CONDITIONS

3.1 SSO Supplier's Obligations to Provide SSO Supply and Other Obligations

Each SSO Supplier hereby agrees, severally, but not jointly, as follows:

(a) during the Delivery Period, such SSO Supplier shall sell, deliver and provide SSO Supply on a firm and continuing basis in order to meet its SSO Supplier Responsibility Share, in accordance with this Agreement and the PJM Agreements;

(b) (i) except with respect to Capacity, each SSO Supplier's obligation under Section 3.1(a) will result in physical delivery of SSO Supply and not financial settlement; (ii) the quantity of SSO Supply that such SSO Supplier must deliver will be determined by the requirements of the SSO Load, which may be different than the amount indicated in the Solicitation; and (iii) this Agreement does not provide for an option by such SSO Supplier with respect to the quantity of SSO Supply to be delivered;

(c) in connection with the provision of SSO Supply at the Delivery Point each SSO Supplier shall be responsible for, in proportion to its SSO Supplier Responsibility Share, all costs and expenses in Attachment F, PJM billing statement line items, identified as the responsibility of the SSO Supplier, and any other costs and expenses related to transmission and Ancillary Services, unless otherwise expressly indicated otherwise in this Agreement.

(d) during the Term, each SSO Supplier is responsible, at its sole cost and expense, for any changes in PJM products and pricing required for the delivery of its SSO Supplier Responsibility Share, including all other costs and expenses related to transmission and Ancillary Services in connection with the provision of SSO Supply in proportion to its SSO Supplier Responsibility Share, except for any changes to products or the pricing of such products that are the responsibility of AEP Ohio pursuant to Section 3.2;

(e) each SSO Supplier is responsible for all transmission and distribution losses and congestion and imbalance costs incurred to supply its SSO Supplier Responsibility Share;

(f) each SSO Supplier shall be at all times during the Delivery Period (i) a member in good standing of PJM and (ii) qualified by PJM as a “Market Buyer” and “Market Seller” pursuant to the PJM Agreements, and (iii) qualified as a PJM “Load Serving Entity”;

(g) each SSO Supplier shall be responsible, and be liable, to PJM for the performance of its LSE obligations associated with the provision of SSO Supply under this Agreement;

(h) each SSO Supplier shall have and maintain, throughout the Delivery Period, FERC authorization to make sales of Energy, Capacity, and Ancillary Services at market-based rates within PJM; and

(i) each SSO Supplier shall deliver SSO Supply to the Delivery Point under this Agreement free and clear of any and liens, security interests, claims and encumbrances or any interest therein or thereto by any Person.

3.2 AEP Ohio’s Obligation to Take SSO Supply and other Obligations

AEP Ohio hereby agrees as follows:

(a) during the Delivery Period, AEP Ohio shall purchase and accept SSO Supply provided by an SSO Supplier pursuant to Section 3.1 at the Delivery Point and shall make payment to the SSO Supplier based on the Price; and

(b) during the Delivery Period, AEP Ohio shall be a member in good standing of PJM; and

(c) during the Delivery Period, AEP Ohio shall be responsible for the provision of Firm Transmission Service from the Delivery Point; and

(d) AEP Ohio shall be responsible, at its sole costs and expense, for:

(i) charges and credits assessed under, Schedule 1A (Transmission Owner Scheduling, System Control and Dispatch Services), Schedule 2 (Reactive Supply

and Voltage Control from Generation or Other Sources Services), “Network Integration Transmission Service (NITS)” under the PJM Agreements, and Schedule 12 (Transmission Enhancement Charge) of the PJM Tariff;

(ii) other non-market-based costs, fees or charges imposed on or charged to AEP Ohio by FERC or a regional transmission organization, independent transmission operator, or similar organization approved by FERC; and

(iii) with regard to the foregoing, such services and schedules as they may be modified or superseded from time to time;

(e) AEP Ohio will be responsible for (i) metering, billing and delivery with respect to SSO Customers (and SSO Suppliers will have no responsibility with respect thereto) and (ii) distribution services (and SSO Suppliers will have no responsibility with respect thereto); and

(f) AEP Ohio will be responsible, at its sole cost and expense, for the provision of any renewable energy resource requirement as set forth in Ohio Rev. Code Ann. Sections 4928.64 and 4928.65 and regulations promulgated in respect thereto.

3.3 PJM E-Accounts

Each SSO Supplier and AEP Ohio shall work with PJM to establish any PJM E-Accounts necessary for such SSO Supplier to provide SSO Supply. Each SSO Supplier may manage its PJM E-Accounts in its sole discretion; provided such SSO Supplier acts in accordance with the standards set forth in the PJM Agreements.

3.4 Reliability Guidelines

Each Party agrees to adhere to the applicable operating policies, criteria and guidelines of the NERC, PJM, their successors, and any regional and sub-regional requirements.

3.5 Regulatory Authorizations

(a) AEP Ohio and each SSO Supplier shall obtain and maintain throughout the Delivery Period all regulatory authorizations necessary to perform their respective obligations under this Agreement.

(b) Each SSO Supplier shall cooperate in good faith with AEP Ohio in any regulatory compliance efforts as may be required to maintain the ongoing legitimacy and enforceability of the terms of this Agreement and to fulfill any regulatory reporting requirement associated with the provision of SSO Supply before the PUCO, FERC or any other Governmental Authority.

3.6 PJM Member Default Cost Allocation

In the event PJM imposes a Default Allocation Assessment upon AEP Ohio relating to a default during the Term, AEP Ohio may, in its sole discretion, invoice each SSO Supplier, based on its SSO Supplier Responsibility Share, for amounts determined, in AEP Ohio's sole discretion, to be properly payable by such SSO Supplier from the Default Allocation Assessment and each SSO Supplier shall pay such amounts within three (3) Business Days after receipt of such invoice, subject to the dispute resolution procedures set forth in Section 11.

3.7 Status of SSO Supplier

In order to meet AEP Ohio's service obligations under Legal Authorities, it is the intent of the Parties that each SSO Supplier shall be deemed a LSE for the duration of the Delivery Period pursuant to the PJM Agreements and Legal Authorities.

3.8 Sales for Resale

All SSO Supply provided by an SSO Supplier to AEP Ohio shall be sales for resale, with AEP Ohio reselling such SSO Supply to SSO Customers.

3.9 Declaration of Authority

As designated or otherwise required by AEP Ohio, AEP Ohio and each SSO Supplier shall execute a Declaration of Authority, a representative form of which is attached hereto as Attachment G.

ARTICLE 4

SCHEDULING, FORECASTING AND INFORMATION SHARING

4.1 Scheduling

(a) Each SSO Supplier shall schedule SSO Supply and make all necessary arrangements for the delivery of SSO Supply through the PJM Office of Interconnection pursuant to the PJM Agreements.

(b) AEP Ohio will provide to each SSO Supplier and to PJM all information required by PJM for the purpose of calculating each SSO Supplier's SSO Supply obligations, including the magnitude of each SSO Supplier's SSO Supply obligation, as required by the PJM Office of Interconnection.

4.2 Load Forecasting

AEP Ohio shall not be required to provide to any SSO Supplier any load forecasting services.

4.3 Disconnection and Curtailment by AEP Ohio

AEP Ohio shall have the right, without incurring any liability to any SSO Supplier, to disconnect (or otherwise curtail, interrupt or reduce deliveries from) the SSO Suppliers or to disconnect (or otherwise curtail, interrupt or reduce deliveries to) any Customer whenever AEP Ohio determines in its discretion acting in good faith that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of AEP Ohio's facilities; or due to any other reason affecting the safe and reliable operation of any of AEP Ohio's or a Customer's facilities, including Emergencies, forced outages or potential overloading of any of AEP Ohio's transmission or distribution circuits, potential damage to the Customer's facilities or any risk of injury to persons, or when AEP Ohio is directed by PJM. AEP Ohio shall not show any preference for any Affiliate in connection with any such disconnection, curtailment or reduction.

4.4 Loss of Service to SSO Customers

The Parties agree and acknowledge that service to SSO Customers may be lost due to storms, weather, accidents, breakage of equipment or other events beyond the reasonable control of AEP Ohio affecting the transmission and distribution facilities of AEP Ohio. No Party will have any liability to any other Party for the occurrence of such events. In no event will a loss of service to a Customer affect a Party's obligation to make any payments then due or becoming due with respect to performance rendered prior to such loss of service.

4.5 PJM Requirements

The Parties acknowledge and agree that, as members of PJM, each of them is bound by the PJM Agreements and any other operating instructions, policies and procedures set forth by PJM. Each SSO Supplier acknowledges and agrees that it will cooperate with AEP Ohio and PJM as the applicable balancing authority and reliability coordinator so that AEP Ohio will be in compliance with all PJM emergency operations procedures, which include procedures pertaining to minimum and maximum generation Emergencies, and measures requiring involuntary Customer participation, such as supply voltage reduction and full interruption of Customer load by either manual or automatic means.

4.6 Compliance with Governmental Directives

Each SSO Supplier acknowledges and agrees that AEP Ohio may need to act in response to directives by a Governmental Authority that may affect SSO Supply or SSO Load. Each SSO Supplier agrees to cooperate fully with AEP Ohio in order to comply with such directives.

ARTICLE 5

CREDIT AND PERFORMANCE SECURITY

5.1 Applicability

Each SSO Supplier agrees that it will meet the creditworthiness standards of this Article 5 at all times during the Term and will inform AEP Ohio immediately of any changes in its credit rating or financial condition. Without limiting the foregoing, each SSO Supplier shall, upon the written request of AEP Ohio, affirmatively demonstrate to AEP Ohio in a manner satisfactory to

AEP Ohio its compliance with the creditworthiness standards set forth hereunder. AEP Ohio may establish less restrictive creditworthiness standards under this Article 5 in a non-discriminatory manner.

During the Term, each SSO Supplier or its Guarantor, if applicable, that has been granted an Independent Credit Threshold or a Credit Limit agrees to provide as soon as practicable (i) after the end of each fiscal year, complete annual audited financial statements (including footnotes), and (ii) after the end of each fiscal quarter, complete quarterly unaudited financial statements (including footnotes). If such financial statements are readily and timely available from the SSO Supplier's website or other public website such as www.sec.gov, then this requirement shall be deemed to be satisfied.

5.2 Creditworthiness Determination

AEP Ohio will determine the creditworthiness of an SSO Supplier or its Guarantor, if applicable, whether organized under the laws of the United States or organized under the laws of a foreign jurisdiction, based on its most recent senior unsecured debt rating (or, if unavailable, its corporate or issuer rating). AEP Ohio will have full discretion, without liability or recourse to such SSO Supplier or its Guarantor, if applicable, to evaluate the evidence of creditworthiness submitted by such SSO Supplier or Guarantor. AEP Ohio may re-evaluate the creditworthiness of an SSO Supplier or Guarantor from time to time, including whenever it becomes aware of an adverse change in such SSO Supplier's or Guarantor's credit standing. In addition, the SSO Supplier may petition AEP Ohio to re-evaluate its creditworthiness whenever an event occurs that the SSO Supplier reasonably believes would improve the determination made by AEP Ohio of its or its Guarantor's creditworthiness. AEP Ohio's credit re-evaluation must be completed as soon as practicable, but in no event longer than thirty (30) days after receiving a fully documented request. AEP Ohio shall provide the rationale for its determination of the Credit Limit and any resulting security requirement and such determination shall be deemed final and conclusive. AEP Ohio shall perform its credit re-evaluation and associated security calculation in a non-discriminatory manner. Each SSO Supplier or its Guarantor shall provide unrestricted access to its audited financial statements; however, if audited financial statements are not available, AEP Ohio may specify other types of financial statements that will be accepted. If AEP Ohio determines in its sole discretion that it is unable to adequately assess an SSO Supplier's or Guarantor's creditworthiness or the

credit rating of an SSO Supplier or its Guarantor is insufficient, such SSO Supplier shall be required to post ICR Collateral in accordance with Section 5.4(d) and Margin Collateral in accordance with Section 5.7.

5.3 Independent Credit Requirement

The Independent Credit Requirement (“ICR”) per Tranche (“ICRT”) that will be required of each SSO Supplier under this Agreement will initially be the sum of the amounts set forth on Attachment C-1 at the inception of the Original Delivery Period for each Tranche and will decline throughout the Term in accordance with the schedule set forth on Attachment C-1.

5.4 Independent Credit Threshold

Each SSO Supplier that qualifies under the following criteria will be granted an Independent Credit Threshold (“ICT”).

(a) For an SSO Supplier or its Guarantor that has been organized under the laws of the United States, the following requirements must be satisfied in order for such SSO Supplier to be granted an ICT:

(i) the SSO Supplier or its Guarantor, as applicable, must (1) be rated by Standard & Poor’s Rating Services (“S&P”), Moody’s Investors Service, Inc. (“Moody’s”) or Fitch, Inc. (“Fitch”), and (2) have a minimum senior unsecured debt rating (or, if unavailable, corporate or issuer rating) of at least “BB” from S&P, “Ba2” from Moody’s, or “BB” from Fitch (a “Minimum Rating”). If the SSO Supplier or its Guarantor is rated by only two rating agencies and the ratings are split, the lower rating will be used. If the SSO Supplier or its Guarantor is rated by three rating agencies and the ratings are split, the lower of the two highest ratings will be used; provided that, in the event that the two highest ratings are common, such common rating will be used. If the SSO Supplier and an Affiliate(s) are both winning bidders in the Solicitation for the provision of SSO Supply, then the SSO Supplier or its Guarantor, as applicable, and the Affiliate(s) will proportionally share the maximum level of the ICT using the highest rating as determined for the SSO Supplier or its Guarantor, as applicable, and the Affiliate(s). The maximum

level of the ICT will be determined based on the following table:

Credit Rating of the SSO Supplier or its Guarantor			Maximum Independent Credit Threshold (calculated as the lesser of the percentage of TNW and the applicable Independent Credit Threshold Cap below)	
S&P	Moody's	Fitch	Percentage of TNW	Independent Credit Threshold Cap
A- and above	A3 and above	A- and above	16%	Not applicable
BBB+	Baa1	BBB+	10%	Not applicable
BBB	Baa2	BBB	10%	Not applicable
BBB-	Baa3	BBB-	8%	Not applicable
BB+	Ba1	BB+	2%	\$3,000,000
BB	Ba2	BB	1%	\$1,500,000
BB- and below	Ba3 and below	BB- and below	0%	\$0

(ii) for SSO Suppliers having a Guarantor, the maximum level of the ICT that can be granted based on an ICT Guaranty will be determined in accordance with subsection (i) above, with reference to the credit rating of the Guarantor.

The ICT granted to the SSO Supplier will not exceed the amount of the ICT Guaranty. The ICT Guaranty tendered by the SSO Supplier to satisfy the ICT requirement arising under this Section 5.4 shall be a separate guaranty from the Total Exposure Amount Guaranty, if any, tendered by the SSO Supplier to satisfy any requirement for a Credit Limit to cover the Total Exposure Amount arising under Section 5.6; provided, however, that a single Guaranty may be provided if such Guaranty is for an unlimited amount.

(b) For an SSO Supplier or its Guarantor that has not been organized under the laws of the United States, the following requirements must be satisfied in order for such SSO Supplier to be granted an ICT:

(i) the SSO Supplier must supply such evidence of creditworthiness as to provide AEP Ohio with comparable assurances of creditworthiness as applicable above for SSO Suppliers that have been organized under the laws of the United States; or

(ii) the Guarantor of an SSO Supplier must supply such evidence of creditworthiness as to provide AEP Ohio with comparable assurances of creditworthiness as applicable above for Guarantors of SSO Suppliers that have been organized under the laws of the United States. AEP Ohio may reject such Guarantors that do not meet the creditworthiness requirements.

(c) All SSO Suppliers or Guarantors of SSO Suppliers that have not been organized under the laws of the United States must, in addition to all documentation required elsewhere in this Section 5.4, supply the following to AEP Ohio as a condition of being granted an ICT:

(i) for an SSO Supplier: (1) a legal opinion of counsel qualified to practice in the foreign jurisdiction in which the SSO Supplier is organized that (A) the SSO Supplier is duly incorporated and existing in such foreign jurisdiction; (B) this Agreement is the binding and enforceable obligation of the SSO Supplier in such foreign jurisdiction and does not violate any local law or the SSO Supplier's organizational or governing documents; and (C) all authorizations, approvals, consents, licenses, exemptions or other requirements of governmental, judicial or public bodies in such foreign jurisdiction have been obtained, and all execution formalities have been duly completed, necessary for the enforcement and validity of this Agreement and the performance by the SSO Supplier of its obligations hereunder; and (2) the sworn certificate of the corporate secretary (or similar officer) of such SSO Supplier that the Person executing this Agreement on behalf of the SSO Supplier has the authority to execute this Agreement and that the governing board of such SSO Supplier has approved the execution of this Agreement. AEP Ohio will have full discretion, without liability or recourse to the SSO Supplier, to evaluate the sufficiency of the documents submitted by the SSO Supplier; or

(ii) for the Guarantor of an SSO Supplier: (1) a legal opinion of counsel qualified to practice in the foreign jurisdiction in which the Guarantor is organized that (A) the Guarantor is duly incorporated and existing in such foreign jurisdiction; (B) the ICT Guaranty is the binding and enforceable obligation of the Guarantor in such foreign jurisdiction and does not violate any local law or the Guarantor's organizational or governing documents; and (C) all authorizations, approvals, consents, licenses, exemptions or other requirements of governmental, judicial or public bodies in such foreign jurisdiction have been obtained, and all execution formalities have been duly completed, necessary for the enforcement and validity of the ICT Guaranty and the performance by the Guarantor of its obligations thereunder; and (2) the sworn certificate of the corporate secretary (or similar officer) of such Guarantor that the Person executing the ICT Guaranty on behalf of the Guarantor has the authority to execute the ICT Guaranty and that the governing board of such Guarantor has approved the execution of the ICT Guaranty. AEP Ohio will have full discretion, without liability or recourse to the Guarantor or the SSO Supplier, to evaluate the sufficiency of the documents submitted by such Guarantor.

(d) SSO Suppliers who do not qualify for an ICT or whose ICT plus the amount of any cash or Letter of Credit already posted in accordance with Section 5.9 to satisfy its aggregate ICR under this Agreement and any Other Energy Supply Agreement (the "ICR Collateral") does not meet its aggregate ICR under this Agreement and any Other Energy Supply Agreement, must post ICR Collateral at the time of or prior to the Effective Date to the extent its aggregate ICR under this Agreement and any Other Energy Supply Agreement exceeds its ICT.

(e) Under no circumstances shall the ICT hereunder plus any other independent credit threshold granted to the SSO Supplier or its Guarantor under any Other Energy Supply Agreement exceed the maximum ICT hereunder.

5.5 Mark-to-Market Credit Exposure Methodology

To calculate the Mark-to-Market Exposure Amount for each SSO Supplier, the following mark-to-market credit exposure methodology will be used. A "market value" for each Tranche will be determined at the time the Solicitation is completed based on the then prevailing market prices, as described further in Attachment C-2. At the time the Solicitation is completed, the Mark-to-Market Exposure Amount for each SSO Supplier shall be set equal to zero. Subsequently, the

differences between the prevailing market prices on a valuation date and the market prices in effect on the date the Solicitation is completed will be used to calculate the Mark-to-Market Exposure Amounts for each SSO Supplier, as described further in Attachment C-2. The total Mark-to-Market Exposure Amount will be equal to the sum of the Mark-to-Market Exposure Amounts for each Billing Period, or portion thereof, remaining during the Original Delivery Period. Forward Market Prices will be determined with reference to publicly available market price quotations obtained by AEP Ohio, as adjusted by AEP Ohio to more closely approximate the price impact of serving a slice-of-system product which reflects hourly variations due to customer usage patterns. Such adjustment is further described in Attachment C-2. However, if market price quotations are not publicly available, Forward Market Prices will be determined by AEP Ohio using any method which AEP Ohio deems appropriate and which reasonably reflects forward market pricing conditions in PJM. The Mark-to-Market Exposure Amount will also be adjusted on a monthly basis to reflect changes in expected SSO Load by means of a volume adjustment factor. The Mark-to-Market Exposure Amount will be stated on a present value basis by discounting using the then-prevailing LIBOR rate. The methodology for calculation of the Mark-to-Market Exposure Amount is illustrated in the example (using hypothetical numbers) in Attachment C-2.

5.6 Credit Limit

The following criteria constitute AEP Ohio's creditworthiness requirements for the SSO Suppliers to cover the Total Exposure Amount:

(a) For SSO Suppliers to be granted a Credit Limit without delivering a Total Exposure Amount Guaranty or other Performance Assurance acceptable to AEP Ohio, in the case of an SSO Supplier organized under the laws of the United States, the SSO Supplier must (1) be rated by S&P, Moody's or Fitch, and (2) have a minimum senior unsecured debt rating (or, if unavailable, corporate or issuer rating) equal to the Minimum Rating. If the SSO Supplier is rated by only two rating agencies and the ratings are split, the lower rating will be used. If the SSO Supplier is rated by three rating agencies and the ratings are split, the lower of the two highest ratings will be used; provided that, in the event that the two highest ratings are common, such common rating will be used. If the SSO Supplier and an Affiliate(s) are both winning bidders in the Solicitation for the provision of SSO Supply, then the SSO Supplier or its Guarantor, as applicable, and the Affiliate(s) will proportionally share the maximum level of the Credit Limit using the highest rating as determined for the SSO Supplier or its Guarantor, as applicable, and the Affiliate(s). The

maximum level of the Credit Limit to cover the Total Exposure Amount will be determined based on the following table:

Credit Rating of the SSO Supplier or its Guarantor			Maximum Credit Limit (calculated as the lesser of the percentage of TNW and the applicable Credit Limit Cap below)	
S&P	Moody's	Fitch	Percentage of TNW	Credit Limit Cap
A- and above	A3 and above	A- and above	16%	\$75,000,000
BBB+	Baa1	BBB+	10%	\$50,000,000
BBB	Baa2	BBB	10%	\$40,000,000
BBB-	Baa3	BBB-	8%	\$30,000,000
BB+	Ba1	BB+	2%	\$10,000,000
BB	Ba2	BB	1%	\$5,000,000
BB- and below	Ba3 and below	BB- and below	0%	\$0

The SSO Supplier will be required to post cash or a Letter of Credit for the Margin due AEP Ohio as set forth in Section 5.7 of this Agreement.

(b) For SSO Suppliers delivering a Total Exposure Amount Guaranty, in the case of a Guarantor organized under the laws of the United States, the maximum level of the Credit Limit to cover the Total Exposure Amount that could be granted based on the Total Exposure Amount Guaranty will be determined in accordance with subsection (a) above, with reference to the credit rating of the Guarantor, except that the Credit Limit granted to the SSO Supplier will not exceed the amount of the Total Exposure Amount Guaranty.

(c) For an SSO Supplier or Guarantor, if applicable, that has not been organized under the laws of the United States, the following standards will apply:

(i) the SSO Supplier must supply such evidence of creditworthiness as to provide AEP Ohio with comparable assurances of creditworthiness as applicable above for SSO Suppliers that have been organized under the laws of the United States; or

(ii) if the SSO Supplier is providing a Total Exposure Amount Guaranty, the Guarantor of an SSO Supplier must supply such evidence of creditworthiness as to provide

AEP Ohio with comparable assurances of creditworthiness as applicable above for Guarantors of SSO Suppliers that have been organized under the laws of the United States. AEP Ohio may reject such Guarantors that do not meet the creditworthiness requirements.

(d) All SSO Suppliers or Guarantors of SSO Suppliers, if applicable, that have not been organized under the laws of the United States must, in addition to all documentation required elsewhere in this Section 5.6, supply the following to AEP Ohio:

(i) For an SSO Supplier: (1) a legal opinion of counsel qualified to practice in the foreign jurisdiction in which the SSO Supplier is organized that (A) the SSO Supplier is duly incorporated and existing in such foreign jurisdiction; (B) this Agreement is the binding and enforceable obligation of the SSO Supplier in such foreign jurisdiction and does not violate any local law or the SSO Supplier's organizational or governing documents; and (C) all authorizations, approvals, consents, licenses, exemptions or other requirements of governmental, judicial or public bodies in such foreign jurisdiction have been obtained, and all execution formalities have been duly completed, necessary for the enforcement and validity of this Agreement and the performance by the SSO Supplier of its obligations hereunder; and (2) the sworn certificate of the corporate secretary (or similar officer) of such SSO Supplier that the Person executing this Agreement on behalf of the SSO Supplier has the authority to execute this Agreement and that the governing board of such SSO Supplier has approved the execution of this Agreement. AEP Ohio will have full discretion, without liability or recourse to the SSO Supplier, to evaluate the sufficiency of the documents submitted by the SSO Supplier; or

(ii) For the Guarantor of an SSO Supplier: (1) a legal opinion of counsel qualified to practice in the foreign jurisdiction in which the Guarantor is organized that (A) the Guarantor is duly incorporated and existing in such foreign jurisdiction; (B) the Total Exposure Amount Guaranty is the binding and enforceable obligation of the Guarantor in such foreign jurisdiction and does not violate any local law or the Guarantor's organizational or governing documents; and (C) all authorizations, approvals, consents, licenses, exemptions or other requirements of governmental, judicial or public bodies in such foreign jurisdiction have been obtained, and all execution formalities have been duly completed, necessary for the enforcement and validity of the Total Exposure Amount

Guaranty and the performance by the Guarantor of its obligations thereunder; and (2) the sworn certificate of the corporate secretary (or similar officer) of such Guarantor that the Person executing the Total Exposure Amount Guaranty on behalf of the Guarantor has the authority to execute the Total Exposure Amount Guaranty and that the governing board of such Guarantor has approved the execution of the Total Exposure Amount Guaranty. AEP Ohio will have full discretion, without liability or recourse to the Guarantor or the SSO Supplier, to evaluate the sufficiency of the documents submitted by such Guarantor.

(e) For an SSO Supplier with a Total Exposure Amount Guaranty, the SSO Supplier will be granted a Credit Limit up to the amount of the Total Exposure Amount Guaranty, but not exceeding the Credit Limit shown in the table above. The Total Exposure Amount Guaranty shall be provided to AEP Ohio on or prior to the Effective Date, but may be modified in any amended or substitute Total Exposure Amount Guaranty provided to AEP Ohio during the Term. The SSO Supplier, however, may not increase or substitute its Total Exposure Amount Guaranty for the purpose of increasing its applicable Credit Limit during the time period after AEP Ohio has made a demand of the SSO Supplier to cover Margin (a “Margin Call”) but before the SSO Supplier has provided AEP Ohio with cash credited to a deposit account of AEP Ohio or a Letter of Credit in accordance with Section 5.9, in each case in an amount equal to or exceeding the Margin (the “Margin Collateral”). Notwithstanding anything herein to contrary, the SSO Supplier may increase the amount of its Total Exposure Amount Guaranty after satisfying a Margin Call. Upon AEP Ohio’s receipt of an amended or substitute Total Exposure Amount Guaranty increasing the amount of the Total Exposure Amount Guaranty, the SSO Supplier may request a return of Margin Collateral in accordance with Section 5.7. The SSO Suppliers will be required to post cash or a Letter of Credit for the Margin due AEP Ohio as set forth in Section 5.7 of this Agreement.

(f) Under no circumstances shall the Credit Limit hereunder plus any other credit limit granted to the SSO Supplier or its Guarantor under any Other Energy Supply Agreement exceed the Credit Limit hereunder.

5.7 Posting Margin Collateral and Return of Excess Collateral

If at any time and from time to time during the Delivery Period, Margin exists with respect to an SSO Supplier, then AEP Ohio on any Business Day may make a Margin Call of such SSO

Supplier; provided however that AEP Ohio may not make a Margin Call unless the Margin exceeds the Minimum Margin Threshold. Upon receipt of a Margin Call, the applicable SSO Supplier shall provide to AEP Ohio Margin Collateral, which shall comprise of cash or a Letter of Credit. The Margin Collateral shall be in the amount equal to the Margin less the amount of any Margin Collateral already posted by the SSO Supplier in which AEP Ohio has a first priority, perfected security interest to secure the obligations of the SSO Supplier under this Agreement and any Other Energy Supply Agreement. For the avoidance of doubt, any ICR Collateral posted pursuant to Section 5.4 shall not constitute Margin Collateral.

If an SSO Supplier receives a Margin Call from AEP Ohio by 1:00 p.m. prevailing Eastern Time on a Business Day, then such SSO Supplier shall post Margin Collateral the following Business Day if posting cash and the second Business Day following the Margin Call if posting a Letter of Credit, unless in each case AEP Ohio agrees in writing to extend the period to provide Margin Collateral. If the SSO Supplier receives a Margin Call after 1:00 p.m. prevailing Eastern Time on a Business Day, whether posting cash or a Letter of Credit, then the SSO Supplier must post Margin Collateral on the second Business Day following the Margin Call unless AEP Ohio agrees in writing to extend the period to provide Margin Collateral. AEP Ohio will not unreasonably deny a request for a one-day extension of such period.

Margin Collateral being held by AEP Ohio that is not needed to satisfy the Margin (“Excess Collateral”), will be returned to the SSO Supplier upon receipt of a written request from the SSO Supplier; provided, however, that the SSO Supplier may not request Excess Collateral until such Excess Collateral exceeds the Minimum Margin Threshold. If the SSO Supplier posted cash and notice is received by AEP Ohio by 1:00 p.m. prevailing Eastern Time on a Business Day, the Excess Collateral will be returned by the following Business Day and if the SSO Supplier posted cash and notice is received by AEP Ohio after 1:00 p.m. prevailing Eastern Time on a Business Day, the Excess Collateral will be returned by the second Business Day following the date of notice. If the SSO Supplier posted a Letter of Credit, the Excess Collateral shall be returned on the next Business Day following the Business Day on which the amendment to the Letter of Credit is received from the issuing bank, unless in each case the SSO Supplier agrees in writing to extend such period for returning the Excess Collateral. The SSO Supplier will not unreasonably deny a request for a one-day extension of the period for returning the Excess Collateral.

5.8 Grant of Security Interest; Remedies

To secure its obligations under this Agreement, the SSO Supplier hereby grants to AEP Ohio a present and continuing security interest in, and lien on (and right of setoff against), its right, title and interest, whether now owned or hereafter acquired or arising, in (i) all deposit accounts in the name of AEP Ohio or partially in the name of AEP Ohio or held for the benefit of AEP Ohio and all funds credited to any and all of the foregoing, (ii) all securities, instruments (including promissory notes), money (each of the foregoing terms as defined in the UCC), cash and other tangible property delivered to and held by AEP Ohio (or its agents or custodians) and (iii) all proceeds (as defined in the UCC) of any and all of the foregoing. The SSO Supplier agrees to take such action as reasonably required to create and perfect AEP Ohio's first priority security interest in, and lien on (and right of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or at any time after the occurrence or deemed occurrence and during the continuation of an Event of Default where an SSO Supplier is the Defaulting Party or an Early Termination Date (whether or not such SSO Supplier was the Defaulting Party), AEP Ohio may do any one or more of the following in any order: (i) exercise any of the rights and remedies of AEP Ohio, including the right to set-off and liquidation, against any and all ICR Collateral, Margin Collateral or other collateral of such SSO Supplier in the possession of AEP Ohio, whether held in connection with this Agreement or any Other Energy Supply Agreement, including any such rights and remedies under law then in effect, free from any claim or right of any nature whatsoever of such SSO Supplier; and (ii) draw on any outstanding Letter of Credit provided by such SSO Supplier. AEP Ohio will apply the proceeds of the collateral realized upon the exercise of such rights or remedies to reduce such SSO Supplier's obligations under this Agreement and under any Other Energy Supply Agreement, and such SSO Supplier shall remain liable for any amounts owing to AEP Ohio after such application, subject to AEP Ohio's obligation to return any surplus proceeds remaining after all such obligations are satisfied in full.

All notices, demands or requests regarding credit requirements and credit-related security or deposit transfers shall be sent in accordance with Section 12.2.

5.9 Acceptable Forms of Security

At each SSO Supplier's option, the following are deemed to be acceptable for posting Margin Collateral or ICR Collateral, if required:

- (a) Cash credited to a deposit account of AEP Ohio; and
- (b) A Letter of Credit, which shall state that such Letter of Credit will renew automatically for successive one-year or shorter periods, until terminated upon at least ninety (90) days' prior written notice from the issuing financial institution. If AEP Ohio receives notice from the issuing financial institution that the Letter of Credit is being cancelled, the SSO Supplier will be required to provide a substitute Letter of Credit from an alternative bank satisfying the requirements in this Section 5.9. The receipt of the substitute Letter of Credit must be effective as of the cancellation date and delivered to AEP Ohio thirty (30) days before the cancellation date of the original Letter of Credit. If the SSO Supplier fails to supply a substitute Letter of Credit as required, then AEP Ohio will have the right to draw on the existing Letter of Credit and to hold the amount as Margin Collateral or ICR Collateral, as applicable.

The Letter of Credit shall be issued by a U.S. commercial bank or by a U.S. branch of a foreign bank with total assets of at least \$5 billion having a general long-term senior unsecured debt rating of A- or higher as rated by S&P or A3 or higher as rated by Moody's and shall permit presentation at a bank located in the United States of America.

If at any time the bank or other financial institution from which an SSO Supplier has obtained a Letter of Credit fails to meet the foregoing conditions, the SSO Supplier will immediately notify AEP Ohio and, within one (1) Business Day of the failure of the financial institution to meet the required conditions, obtain a suitable Letter of Credit from another bank or other financial institution that meets those standards, unless such period is extended in writing by AEP Ohio. For avoidance of doubt, SSO Supplier may elect to substitute a cash deposit for the Letter of Credit within the time frame specified herein.

Notwithstanding anything in this Agreement to the contrary, AEP Ohio may exercise any rights or claims to any collateral posted, delivered or pledged to them under this Agreement, before, after, concurrently with, or to the exclusion of, any other collateral posted, delivered or

pledged prior to applying any cash collateral against, or making a drawing under any letter of credit in respect of, any liabilities of the SSO Supplier hereunder or its Guarantor under the Guaranty to AEP Ohio or any of them.

5.10 Reporting; Maintenance of Creditworthiness

(a) Each SSO Supplier must promptly notify AEP Ohio of any change in its or its Guarantor's credit rating or financial condition. The SSO Supplier or Guarantor must also furnish evidence of an acceptable credit rating or financial condition upon the request of AEP Ohio.

(b) If the lowest credit rating (whether corporate or issuer rating or unsecured senior debt rating) used to determine the SSO Supplier's ICT or its Credit Limit adversely changes, AEP Ohio will require ICR Collateral or Margin Collateral from such SSO Supplier in accordance with Sections 5.4, 5.6 and 5.7. The additional security must be in a form acceptable to AEP Ohio, as specified in Section 5.9.

5.11 Interest on Cash Held by AEP Ohio

AEP Ohio will pay simple interest calculated at the lower of the Margin Interest Rate or 6% per annum on all cash held by AEP Ohio pursuant to this Agreement. If applicable, after each Billing Period the SSO Supplier will prepare a statement of interest amounts due from AEP Ohio. The statement will be sent to AEP Ohio within three (3) Business Days after the end of the Billing Period via overnight mail or other expeditious means. AEP Ohio will make interest payments on the first Business Day after the fifth (5th) day of each calendar month.

5.12 No Endorsement of SSO Supplier

AEP Ohio's determination of an SSO Supplier's creditworthiness pursuant to the process set forth in this Article 5 will not be deemed to constitute an express or implied warranty or guarantee of any kind with respect to the financial or operational qualifications of such SSO Supplier. AEP Ohio will treat all SSO Suppliers in a non-discriminatory manner and shall provide no preference to any SSO Supplier.

ARTICLE 6

BILLING, PAYMENT AND NETTING

6.1 Invoice Statement

Subject to Section 6.2, AEP Ohio and each SSO Supplier shall pay all amounts due to each other hereunder in accordance with the following provisions:

(a) For each Billing Period, AEP Ohio will prepare and provide an invoice to each SSO Supplier, which will show (i) amounts due to the SSO Supplier equal to the Price multiplied by the applicable Seasonal Billing Factor multiplied by the Estimated Monthly Energy Share, (ii) the Energy Share Adjustment from any prior Billing Period that have not been invoiced, if any, and (iii) all Charges due to AEP Ohio incurred during the Billing Period (the “Billing Statement”).

(b) AEP Ohio will determine the total amount payable by one Party to the other Party by netting the aggregate amounts due and owing to one Party against the aggregate amounts due and owing to the other Party, with the Party, if any, owing the greater aggregate amount paying the other Party the difference between the amounts owed. For any amounts due and owing AEP Ohio, AEP Ohio will specify in each Billing Statement how the amounts will be allocated among the SSO Suppliers. In the case of the Energy Share Adjustment, the allocation will be based on the respective SSO Loads of AEP Ohio.

(c) The Billing Statement will be sent to each SSO Supplier within six (6) Business Days after the end of the Billing Period.

(d) AEP Ohio or the SSO Supplier, as the case may be, will make payment on or before the twentieth (20th) day of each calendar month. If such day falls on a Saturday, Sunday or any other day which is a legal holiday or a day on which banking institutions are closed, payment will be due the following Business Day. All such payments shall be made by electronic transfer to an account designated in writing by each respective Party.

(e) All payments shall be subject to adjustment for any arithmetic errors, computation errors, or other errors, provided that the errors become known within one (1) year of the earlier of (i) the end of the Term or (ii) the Early Termination Date.

(f) Overdue payments shall accrue interest at the Interest Rate from, and including, the due date, but excluding date of payment.

(g) If a good faith dispute arises between AEP Ohio and the SSO Supplier regarding a Billing Statement, the disputing Party shall be obligated to pay only the undisputed portion of the Billing Statement, if any, no later than the due date and shall present the dispute in writing and submit supporting documentation to the non-disputing Party within one hundred twenty (120) calendar days from the date of the Billing Statement in dispute. Billing Statement disputes must be addressed promptly, and in accordance with the dispute resolution procedures set forth in Article 11. Upon resolution of a Billing Statement dispute, any payments made to either Party will include interest at the Interest Rate on the payment payable from the date that notice of a Billing Statement dispute was received by the non-disputing Party.

(h) Notwithstanding anything to the contrary contained in this Section 6.1, the determination of the allocation among SSO Suppliers of amounts due and owing to AEP Ohio, as set forth in a Billing Statement, will be final and binding, absent manifest error.

6.2 PJM Billing: Third Party Billing

(a) AEP Ohio and each SSO Supplier shall direct PJM to invoice AEP Ohio and such SSO Supplier for PJM charges and credits relating to such SSO Supplier's and AEP Ohio's rights and obligations under this Agreement. If PJM is unable to invoice charges or credits in accordance with the foregoing sentence, AEP Ohio shall rectify such PJM invoice discrepancy in the Billing Statement sent pursuant to Section 6.1.

(b) The Parties agree that the PJM invoice may change from time to time. Allocation of any charges that are reflected in a PJM invoice that are not included on or are inconsistent with Attachment F will be determined pursuant to Sections 3.1(c), 3.1(d), 3.1(e), 3.2(d) and 12.6.

(c) AEP Ohio shall have no responsibility for billing between an SSO Supplier and any other third party. AEP Ohio shall be solely responsible for billing SSO Customers for SSO Supply.

ARTICLE 7
BREACH AND DEFAULT

7.1 Events of Default

An “Event of Default” shall mean with respect to a Party (the “Defaulting Party”) the occurrence of any of the following:

(a) the failure of the Defaulting Party to make, when due, any payment required pursuant to this Agreement (including under Section 6.2) if such failure is not remedied within two (2) Business Days after receipt of written notice of non-payment, and provided the payment is not the subject of a good faith dispute as described in Section 6.1;

(b) any representation or warranty made by the Defaulting Party herein is false or misleading in any material respect when made;

(c) the failure of the Defaulting Party to perform any material obligation set forth in this Agreement (other than events that are otherwise specifically covered in this Article 7 as a separate Event of Default) if such failure is not remedied within two (2) Business Days after written notice;

(d) the Defaulting Party becomes Bankrupt;

(e) with respect to an SSO Supplier, the failure of the Defaulting Party to provide Margin Collateral, or with respect to AEP Ohio, the failure of the Defaulting Party to return Excess Collateral, in each case pursuant to Section 5.7;

(f) failure of the Defaulting Party to comply with its obligations pursuant to Article 5 (except to the extent constituting a separate Event of Default under Section 7.1(e)) if such failure is not remedied within three (3) Business Days after receipt of written notice of such failure;

(g) the failure of the Defaulting Party to comply with the requirements of Sections 3.1(f), 3.1(g), 3.1(h) and 3.5, as applicable, if such failure is not remedied within three (3) Business Days of such failure;

(h) PJM has declared the Defaulting Party to be in default of any provision of any PJM Agreement, which default prevents the Defaulting Party's performance hereunder, if such failure is not remedied within three (3) Business Days after written notice;

(i) PJM holds AEP Ohio responsible for the provision of all or any portion of SSO Supply to meet the Defaulting Party's SSO Supplier Responsibility Share under this Agreement;

(j) the occurrence and continuation of: (i) a default, event of default or other similar condition or event in respect of the Defaulting Party or its Guarantor, if applicable, under one or more agreements or instruments, individually or collectively, relating to Specified Indebtedness in an aggregate amount of not less than the applicable Cross Default Amount, which results in such Specified Indebtedness becoming immediately due and payable; (ii) a default by the Defaulting Party or its Guarantor, if applicable, in making on the due date therefor one or more payments in respect of any obligation under contract or at law, individually or collectively, in an aggregate amount of not less than the applicable Cross Default Amount; or (iii) a default, event of default or other similar condition or event by the Defaulting Party under any Other Energy Supply Agreement or by its Guarantor under any guaranty with respect to any Other Energy Supply Agreement; and

(k) with respect to a Defaulting Party's Guarantor, if any, (i) any representation or warranty made by such Guarantor in connection with this Agreement or any related Guaranty is intentionally or unintentionally false or misleading in any material respect when made or when deemed made or repeated; (ii) the failure of such Guarantor to make any payment required or to perform any other material covenant or obligation in any Guaranty made in connection with this Agreement and such failure is not remedied within three (3) Business Days after written notice; (iii) the failure of such Guarantor's Guaranty to be in full force and effect (other than in accordance with its terms) prior to the satisfaction of all obligations of the Defaulting Party under this Agreement without the written consent of AEP Ohio; (iv) such Guarantor repudiates, disaffirms, disclaims, or rejects, in whole or in part, or challenges the validity of the Guaranty; or (v) such Guarantor becomes Bankrupt.

7.2 Remedies Upon an Event of Default

If an Event of Default shall have occurred and be continuing, the Non-Defaulting Party shall have the right to:

(a) immediately suspend performance upon written notice to the Defaulting Party; provided, however, that if an SSO Supplier is the Non-Defaulting Party, such SSO Supplier may only suspend performance if the default of the Defaulting Party constitutes an Event of Default under Sections 7.1(a) or (d);

(b) declare an Early Termination and designate by written notice an Early Termination Date which shall be no earlier than the day such designation notice is effective and no later than twenty (20) calendar days after such notice is effective; provided, however, that if an SSO Supplier is the Non-Defaulting Party, such SSO Supplier may only declare an Early Termination if the default of the Defaulting Party constitutes an Event of Default under Section 7.1(a) or (d);

(c) calculate and receive from the Defaulting Party payment for any Default Damages which the Non-Defaulting Party incurs as of the date of the event giving rise to the Event of Default, until the earlier of: (i) the Early Termination Date (if applicable); (ii) the date the Event of Default has been cured by the Defaulting Party; or (iii) the date the Non-Defaulting Party waives such Event of Default;

(d) withhold any payments due to the Defaulting Party under this Agreement as a set-off against any Default Damages, or Termination Payment, as applicable, the Defaulting Party is entitled to receive;

(e) draw down, liquidate, set-off against, or demand payment under, any Guaranty, ICR Collateral and Margin Collateral; and

(f) exercise any other remedies at law or in equity.

7.3 Default Damages; Settlement Amount; Termination Payment

(a) **Default Damages.** Subject to Section 7.3(e), the Defaulting Party shall pay Default Damages on or before three (3) Business Days after receipt of an invoice therefor. The invoice shall include a written statement explaining in reasonable detail the calculation of such amount.

Neither Party will be liable for Default Damages if this Agreement is terminated by a Governmental Authority.

(b) **Settlement Amount.** If the Non-Defaulting Party has declared an Early Termination Date pursuant to Section 7.2(b), the Non-Defaulting Party shall have the right to (i) accelerate all amounts owing between the Defaulting Party and the Non-Defaulting Party and to liquidate and terminate the undertakings set forth in this Agreement as between the Defaulting Party and the Non-Defaulting Party; and (ii) withhold any payments due to the Defaulting Party under this Agreement pending payment of the Termination Payment. The Non-Defaulting Party will calculate, in a commercially reasonable manner, the Settlement Amount with respect to the Defaulting Party's obligations under the Agreement and shall net the Settlement Amount in the manner provided for in Section 7.3(c).

(c) **Termination Payment.** The Non-Defaulting Party will calculate a single payment (the "Termination Payment") by netting out (i) the sum of the Settlement Amount under this Agreement payable to the Defaulting Party, plus (a) similar settlement amounts payable to the Defaulting Party under any other agreements between AEP Ohio and the applicable SSO Supplier for the provision of SSO Supply, Energy supply or other similar service (each, an "Other Energy Supply Agreement") being terminated due to the event giving rise to the Event of Default plus, (b) at the option of the Non-Defaulting Party, any Performance Assurance then available to the Non-Defaulting Party under this Agreement or Other Energy Supply Agreements and actually received, liquidated and retained by the Non-Defaulting Party, plus (c) any or all other amounts due to the Defaulting Party under this Agreement and, at the option of the Non-Defaulting Party, Other Energy Supply Agreements, and (ii) the sum of the Settlement Amount under this Agreement payable to the Non-Defaulting Party, plus (a) similar settlement amounts payable to the Non-Defaulting Party under any Other Energy Supply Agreement being terminated due to the event giving rise to the Event of Default plus, (b) at the option of the Non-Defaulting Party, any Performance Assurance then available to the Defaulting Party under this Agreement or Other Energy Supply Agreements and actually received, liquidated and retained by the Defaulting Party, plus (c) any or all other amounts due to the Non-Defaulting Party under this Agreement and, at the option of the Non-Defaulting Party, Other Energy Supply Agreements.

The Termination Payment will be due to or due from the Non-Defaulting Party as appropriate; provided, however, that if an SSO Supplier is the Defaulting Party and the Termination Payment is due to such SSO Supplier, AEP Ohio will be entitled to retain a reasonable portion of the Termination Payment, which may be equal to the entire amount of the Termination Payment, as a security for additional amounts that may be determined to be due and owing by such SSO Supplier as Default Damages; and further provided that any previously attached security interest of AEP Ohio in such retained amounts will continue. If the Termination Payment has been retained by AEP Ohio as security for additional amounts that may be determined to be due and owing by the SSO Supplier, and if, upon making a final determination of Default Damages and payment therefor, the Termination Payment, or any portion thereof, is to be made to the SSO Supplier, AEP Ohio will pay interest at the Interest Rate on the Termination Payment amount being made to the SSO Supplier for the period of such retention.

(d) **Notice of Termination Payment.** As soon as practicable after calculation of the Termination Payment, notice must be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether the Termination Payment is due to or due from the Non-Defaulting Party. The notice shall include a written statement explaining in reasonable detail the calculation of such amount. Subject to Section 7.3(e), the Termination Payment must be made by the Party that owes it within three (3) Business Days after such notice is received by the Defaulting Party.

(e) **Disputes With Respect to Default Damages or Termination Payment.** If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Default Damages or Termination Payment, in whole or in part, the Defaulting Party must, within three (3) Business Days of receipt of the Non-Defaulting Party's calculation of the Default Damages or Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute. Any dispute under this Section 7.3(e) shall be subject to the dispute resolution procedures in Article 11; provided, however, that if the Default Damages or Termination Payment is due from the Defaulting Party, the Defaulting Party must first provide Performance Assurance to the Non-Defaulting Party in an amount equal to the Default Damages or Termination Payment, as the case may be.

7.4 Setoff of Payment Obligations of the Non-Defaulting Party

Any payment obligations of the Non-Defaulting Party to the Defaulting Party pursuant to this Agreement or any Other Energy Supply Agreement will be set off: (i) first, to satisfy any payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any Other Energy Supply Agreement that are unsecured and not subject to any Guaranty; (ii) second, to satisfy any payment obligations under this Agreement or any Other Energy Supply Agreement that are unsecured, but which are guaranteed by a Guaranty; and (iii) third, to satisfy any remaining payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any Other Energy Supply Agreement.

7.5 Preservation of Rights of Non-Defaulting Party

The rights of the Non-Defaulting Party under this Agreement, including Sections 7.2, 7.3 and 7.4, will be supplemental to, and not in lieu of, any right of recoupment, lien, or set-off afforded by applicable law, and all such rights are expressly preserved for the benefit of the Non-Defaulting Party.

ARTICLE 8

REPRESENTATIONS AND WARRANTIES

8.1 AEP Ohio's Representations and Warranties

AEP Ohio hereby represents and warrants to the SSO Suppliers as follows:

- (a) it is an electric utility corporation duly organized, validly existing and in good standing under the laws of the State of Ohio;
- (b) it has all requisite power and authority necessary for it to enter into and to legally perform its obligations under this Agreement and any other documentation relating to this Agreement;
- (c) the execution, delivery and performance of this Agreement and any other documentation relating to this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any

contracts to which it is a party or any law, rule, regulation, order or similar provision of any Governmental Authority;

(d) this Agreement and each other document executed and delivered in accordance with this Agreement constitute its legally valid and binding obligation enforceable against it in accordance with its terms;

(e) there is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings, including before a Governmental Authority, that could materially adversely affect its ability to perform its obligations under this Agreement or any other document relating to this Agreement;

(f) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any other document relating to this Agreement;

(g) it is acting for its own account, has made its own independent decision to enter into this Agreement, is not relying upon the advice or recommendations of any other party in so doing, and is capable of assessing the merits of and understanding and understands and accepts, the terms, conditions and risks of this Agreement;

(h) at the commencement of the Original Delivery Period, it has obtained all authorizations from any Governmental Authority necessary for it to perform its obligations under this Agreement; and it is not in violation of any law, rules, regulations, ordinances or judgments of any Governmental Authority which could reasonably be expected to adversely affect its ability to perform its obligations under this Agreement.

8.2 SSO Supplier's Representations and Warranties

Each SSO Supplier hereby represents and warrants to AEP Ohio as follows:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and, if organized outside the State of Ohio, is qualified to conduct its business and is in good standing in Ohio;

(b) it has all regulatory authorizations and all requisite power and authority necessary for it to legally perform its obligations under this Agreement and any other documentation relating to this Agreement;

(c) the execution, delivery and performance of this Agreement and any other documentation relating to this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or similar provision of any Governmental Authority;

(d) this Agreement and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms;

(e) it is a “forward contract merchant” within the meaning of the United States Bankruptcy Code;

(f) there is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings, including before a Governmental Authority, that could materially adversely affect its ability to perform its obligations under this Agreement or any other document relating to this Agreement;

(g) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any other document relating to this Agreement;

(h) it is acting for its own account, has made its own independent decision to enter into this Agreement, is not relying upon the advice or recommendations of AEP Ohio in so doing, and is capable of assessing the merits of and understanding and understands and accepts, the terms, conditions and risks of this Agreement;

(i) at the commencement of the Original Delivery Period, it (i) has obtained all authorizations from any Governmental Authority necessary for it to perform its obligations under this Agreement; (ii) is a member in good standing with PJM; (iii) is qualified by PJM as a “Market Buyer” and “Market Seller” pursuant to the PJM Agreements; (iv) is qualified as a PJM

“Load Serving Entity;” and (v) has duly obtained all FERC authorization necessary or desirable to make sales of Energy, Capacity, and Ancillary Services at market-based rates within PJM; and

(j) it is not in violation of any law, rules, regulations, ordinances or judgments of any Governmental Authority which could reasonably be expected to adversely affect its ability to perform its obligations under this Agreement.

ARTICLE 9

RISK OF LOSS; LIMITATION OF LIABILITY

9.1 Risk of Loss

Title and risk of loss with respect to the SSO Supply shall pass from each SSO Supplier to AEP Ohio when the SSO Supply is delivered to the Delivery Point. As between the Parties, each SSO Supplier shall be deemed to be in exclusive control and possession of the SSO Supply prior to and at the Delivery Point, and AEP Ohio shall be deemed to be in exclusive control and possession of the SSO Supply from the Delivery Point. Each SSO Supplier warrants that it will deliver the SSO Supply to AEP Ohio at the Delivery Point free and clear of all liens, claims and encumbrances arising or attaching prior to the Delivery Point.

9.2 Limitation of Liability

EXCEPT TO THE EXTENT EXPRESSLY SET FORTH IN THIS AGREEMENT, INCLUDING ARTICLE 10, AS BETWEEN AEP OHIO AND EACH SSO SUPPLIER, EACH PARTY’S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES INCURRED AS A RESULT OF A PARTY’S FAILURE TO COMPLY WITH THIS AGREEMENT. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NO PARTY SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, ARISING OUT OF SUCH PARTY’S FAILURE TO COMPLY WITH ITS OBLIGATIONS UNDER THIS AGREEMENT.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NOTHING HEREIN SHALL IMPOSE ANY OBLIGATION OR LIABILITY FROM ONE SSO SUPPLIER TO ANY OTHER SSO SUPPLIER, EXCEPT AS PROVIDED IN ARTICLE 10.

ARTICLE 10

INDEMNIFICATION

10.1 Indemnification

(a) Each SSO Supplier shall defend, save harmless and indemnify AEP Ohio and its Affiliates, shareholders, managers, directors, officers, employees and agents (collectively, the “AEP Ohio Indemnified Party”) against and from any and all of the following incurred by the AEP Ohio Indemnified Party solely as a result of a third party claim (including PJM and each other SSO Supplier) against the AEP Ohio Indemnified Party: loss, liability, damage, claim, cost, charge, demand or expense (including reasonable attorneys’ fees) (collectively “Indemnification Losses”) for injury or death to persons and damage to property including a Party’s employees or any third party to the extent (i) caused by any act or omission (or alleged act or omission) of the SSO Suppliers or their respective Affiliates, managers, directors, officers, employees and agents and (ii) such Indemnification Losses arise out of or are in any manner connected with the performance of this Agreement by the SSO Suppliers or for which the SSO Supplier assumed liability under the terms of this Agreement, except to the extent that a court of competent jurisdiction determines that the Indemnification Losses were caused wholly or in part by the gross negligence or willful misconduct of AEP Ohio. AEP Ohio may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(b) AEP Ohio and each SSO Supplier shall defend, save harmless and indemnify each other SSO Supplier and its Affiliates, shareholders, managers, directors, officers, employees and agents (the “Indemnified Supplier”) against and from any and all of the following incurred by the Indemnified Supplier solely as a result of a third party claim (including another SSO Supplier) against the Indemnified Supplier: Indemnification Losses for injury or death to persons and damage to property including a Party’s employees or any third party to the extent (i) caused by any act or omission (or alleged act or omission) of AEP Ohio or such SSO Supplier or their respective Affiliates, managers, directors, officers, employees and agents, and (ii) such

Indemnification Losses arise out of or are in any manner connected with the performance of this Agreement by AEP Ohio or such SSO Supplier or for which the SSO Supplier assumed liability under the terms of this Agreement, except to the extent that a court of competent jurisdiction determines that the Indemnification Losses were caused wholly or in part by the gross negligence or willful misconduct of the Indemnified Supplier. The Indemnified Supplier may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(c) Any Party that receives notice of any claim, action, or proceeding for which it may seek indemnification under this Section shall promptly notify the indemnitor in writing; provided, however, that the failure to so notify the indemnitor shall not relieve the indemnitor of liability hereunder except to the extent that the defense of such claim, action, or proceeding is prejudiced by the failure to give the notice. The indemnitee shall cooperate fully with the indemnitor in connection with any such litigation or proceeding the defense of which the indemnitor has assumed. No indemnitee may consent to entry of any judgment or enter into any settlement of any claim, action, or proceeding that would give rise to any liability of the indemnitor hereunder without the indemnitor's prior written consent, which consent may not be unreasonably withheld or delayed. If the indemnitor assumes the defense of the claim, action, or proceeding, no compromise or settlement of such claim, action, or proceeding may be effected by the indemnitor without the indemnitee's consent unless (i) there is no finding or admission of any violation of law or the rights of any Person and no effect on any other claims, actions, or proceedings that may be made against the indemnitee and (ii) the sole relief provided is monetary damages and such damages and the associated costs of suit and attorneys' fees are paid in full by the indemnitor.

ARTICLE 11

DISPUTE RESOLUTION

11.1 Informal Dispute Resolution

If a dispute arises between the Parties relating to this Agreement, a Party shall give the other Party written notice of a dispute which has not been resolved in the normal course of business. Such notice shall include: (a) a statement of that Party's position and a summary of arguments supporting such position, and (b) the name and title of the executive who will be

representing that Party and of any other person who will accompany the executive. Within five (5) days after delivery of the notice, the receiving Party shall respond with (a) a statement of that Party's position and a summary of arguments supporting such position, and (b) the name and title of the executive who will represent that Party and of any other person who will accompany the executive. Within ten (10) days after delivery of the initial notice, the executives of both Parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. If, within twenty (20) days after such meeting, the Parties have not succeeded in negotiating a resolution of the dispute, then either Party may pursue any remedies available at law or in equity as set forth below.

11.2 Binding Arbitration

After the requirements of Section 11.1 have been satisfied, all disputes between the Parties, except where this Agreement requires otherwise, shall be submitted to an Ohio State court of competent jurisdiction or to a federal court of competent jurisdiction situated in the State of Ohio, which courts shall have exclusive jurisdiction to settle disputes arising under or related to this Agreement.

11.3 Recourse to Agencies or Courts of Competent Jurisdiction

Notwithstanding Section 11.2, nothing in this Agreement shall restrict the rights of a Party to file a complaint with the FERC under relevant provisions of the Federal Power Act or with the PUCO under relevant provisions of the Legal Authorities. The Parties' agreement under this Section 11.3 is without prejudice to any Party's right to contest jurisdiction of the FERC or PUCO to which a complaint is brought.

ARTICLE 12

MISCELLANEOUS PROVISIONS

12.1 Assignment

(a) AEP Ohio may not assign this Agreement or its rights or obligation hereunder without the prior written consent of the applicable SSO Suppliers, which consent may not be unreasonably withheld, conditioned or delayed; provided, however, AEP Ohio may, without the

consent of the SSO Suppliers (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements; (ii) transfer or assign this Agreement to any Person having a Minimum Rating; and (iii) transfer or assign this Agreement to any Person succeeding to all or substantially all of the assets of AEP Ohio. Under (a)(ii) and (a)(iii) above, AEP Ohio shall be relieved of its obligations upon the assignment and assumption of the assignee, except for those obligations which have arisen prior to the date of assignment.

(b) An SSO Supplier may not assign this Agreement or any rights or obligation hereunder without the prior written consent of AEP Ohio, which consent may not be unreasonably withheld, conditioned or delayed; provided, however, an SSO Supplier may, without the consent of AEP Ohio (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements; (ii) transfer or assign this Agreement to any Person having a Minimum Rating; and (iii) transfer or assign this Agreement to any Person succeeding to all or substantially all of the assets of such SSO Supplier. Under (b)(ii) and (b)(iii) above, the assigning SSO Supplier shall be relieved of its obligations upon (x) the assignment and assumption of this Agreement by the assignee and (y) the assignee's satisfaction of the credit requirements set forth in Article 5, except for those obligations which have arisen prior to the date of assignment.

12.2 Notices

All notices, requests, statements or payments shall be made as specified below. Notices required to be in writing shall be delivered by letter, facsimile or other documentary form. Notice by regular mail shall be deemed to have been received by the earlier of actual receipt or three (3) Business Days after it has been sent. Notice by facsimile or hand delivery shall be deemed to have been received by the close of the Business Day on which it was transmitted or hand delivered (unless transmitted or hand delivered after close of normal business hours, in which case it shall be deemed to have been received at the close of the next Business Day). Notice by overnight mail or courier shall be deemed to have been received by the earlier of actual receipt or two (2) Business Days after it has been sent. A Party may change its addresses by providing notice of the same in accordance with this Section 12.2.

To AEP Ohio:

NOTICES & CORRESPONDENCE:

AEP Ohio
1 Riverside Plaza
Columbus, OH 43215
Attn: Contract Administration Manager

Contract Administration Manager Contact:

Email:

Phone:

Fax:

INVOICES:

Attention:
Email:
Fax Number:
Phone Number:

CREDIT:

Attention:
Mail Code:
Email:
Fax Number:
Phone Number:

PAYMENTS:

Institution:
Account No.:
ABA No:

SCHEDULING:

Attention:
Email:
Fax Number:
Phone Number:

To SSO Supplier:

Each SSO Supplier's notification information is set forth on Attachment A.

12.3 General

This Agreement constitutes the entire agreement between the Parties relating to the subject matter contemplated by this Agreement and supersedes all prior communications and proposals (oral or written). This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement). No waiver by a Party of any default by the other Party shall be construed as a waiver of any other default. Any provision declared or rendered unlawful by any applicable Governmental Authority or deemed unlawful

because of a statutory change will not otherwise affect the remaining lawful obligations that arise under this Agreement. The headings used herein are for convenience and reference purposes only.

12.4 Governing Law

To the extent not subject to the jurisdiction of FERC, this Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the State of Ohio, without regard to principles of conflicts of law.

12.5 Standard of Review

Except as provided in Section 12.6, this Agreement shall not be amended, modified, terminated, discharged or supplanted nor any provision hereof waived, unless mutually agreed in writing by the Parties. Except as provided in 12.6, the rates, terms and conditions contained in this Agreement are not subject to change under Sections 205 and 206 of the Federal Power Act, absent the written agreement of the Parties to change any provisions. Other than as expressly permitted in this Agreement, the standard of review for any changes proposed by a Party, a non-party, or the FERC, acting *sua sponte*, shall be the “public interest” application of the “just and reasonable” standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the “*Mobile-Sierra*” doctrine), as clarified by *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish*.

12.6 PJM Agreement Modifications

(a) If the PJM Agreements are amended or modified so that any term, schedule or section reference herein to such agreement is changed, such term, schedule or section reference herein shall be deemed automatically (and without any further action by the Parties) to refer to the new term, schedule or section of the PJM Agreements.

(b) If the applicable provisions of the PJM Agreements referenced herein, or any other PJM rules relating to the implementation of this Agreement, are changed materially from

those in effect on the Effective Date, the Parties shall cooperate to make the conforming changes to this Agreement.

12.7 Confidentiality

(a) The Parties shall hold in confidence any information disclosed by one Party to the other Party in connection with negotiation of or performance under this Agreement unless (i) required, pursuant to any applicable court order, administrative order, statute, regulation or other official order by any government or any agency or department thereof, to disclose; (ii) such information is already in the possession of the receiving party at the time of disclosure, as evidenced by the receiving party's written documentation; (iii) such information becomes subsequently available to the receiving party on a non-confidential basis from a source not known or reasonably suspected by the receiving party to be bound by a confidentiality agreement or secrecy obligation owed to the disclosing party; and (iv) such information is or becomes generally available to the public other than as a result of a breach of this Agreement.

(b) In the event of disclosure pursuant to 12.7(a)(i), AEP Ohio will attempt to notify the SSO Supplier in advance of such disclosure. However, neither AEP Ohio nor its employees, lenders, counsel, accountants, advisors or agents, will be responsible to the SSO Suppliers for any such disclosure and AEP Ohio reserves the right to communicate publicly to third parties any and all information and data submitted as part of this Agreement or Solicitation in any proceedings before FERC, the PUCO and any other regulatory body and the courts, without the prior consent of, or notice to the SSO Suppliers, if AEP Ohio deems such disclosure necessary.

(c) A Party may disclose information and documents provided in connection with this Agreement to its employees, lenders, counsel, accountants, advisors, or utility regulators who have a need to know such information and have agreed to keep such terms confidential.

(d) The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation.

12.8 Taxes

All present and future federal, state, municipal and other taxes imposed by any taxing authority by reason of the provision of SSO Supply by an SSO Supplier under this Agreement (collectively, the “Taxes”) will be the liability of the SSO Supplier, except for Ohio sales and use taxes imposed under Ohio Rev. Code Ann. Tit. 57, Chapters 5739, 5740 and 5741 (the “Ohio Sales and Use Taxes”), if any, which will be AEP Ohio’s responsibility. AEP Ohio shall provide the SSO Supplier with a valid Ohio Sales and Use Tax resale exemption certificate or direct pay permit, and an SSO Supplier shall not collect any Ohio Sales and Use Taxes from AEP Ohio nor remit any Ohio Sales and Use Taxes directly to the applicable taxing authority. AEP Ohio will defend and indemnify the SSO Supplier for any Ohio Sales and Use Taxes that the SSO Supplier may be required to remit directly to the applicable taxing authority and will pay to the SSO Supplier all such tax amounts upon demand. Each SSO Supplier shall pay all Taxes (other than Ohio Sales and Use Taxes) to the applicable taxing authority to the extent required or permitted by law. Should AEP Ohio be required to remit any Taxes directly to any applicable taxing authority (other than Ohio Sales and Use Taxes), the SSO Supplier will defend and indemnify AEP Ohio and will pay AEP Ohio all such Tax amounts upon demand.

Each Party shall provide to the other Party all information, data and exemption certificates as such other Party may from time to time reasonably request and otherwise fully cooperate with such other Party in connection with the reporting of (i) any Taxes payable by an SSO Supplier; (ii) any Tax audit; or (iii) any assessment, refund claim or proceeding relating to Taxes. Each Party shall cooperate with the other Party and take any action reasonably requested, which does not cause the Party to incur any material cost or inconvenience, in order to minimize any Taxes payable.

12.9 Record Retention

Each Party will retain for a period of two (2) years following the expiration of the Term necessary records so as to permit the Parties to confirm the accuracy of any statement, charge or computation made pursuant to this Agreement; provided that, if a Party provides notice within two (2) years of the expiration of the Term that it disputes the validity of any payments or

quantity of Energy delivered, the Parties agree that they will retain all records related to such dispute until the dispute is resolved pursuant to Article 11.

Each SSO Supplier will have the right, upon reasonable notice, to inspect (at the sole cost and expense of such SSO Supplier) the books and records retained by AEP Ohio only insofar as they relate to payments due and owing, or owed and paid, to such SSO Supplier. Such inspection must take place during regular business hours. AEP Ohio will have the right, upon reasonable notice, to inspect (at the sole cost and expense of AEP Ohio) the books and records retained by such SSO Supplier only insofar as they relate to Energy delivered by such SSO Supplier. Such inspection must take place during regular business hours.

12.10 Rules as to Usage

Except as otherwise expressly provided herein, the following rules shall apply to the usage of terms in this Agreement:

(a) The terms defined above have the meanings set forth above for all purposes, and such meanings are equally applicable to both the singular and plural forms of the terms defined.

(b) “Include,” “includes” and “including” shall be deemed to be followed by “without limitation” whether or not they are in fact followed by such words or words of like import.

(c) Any law defined or referred to above means such law as from time to time amended, modified or supplemented, including by succession of comparable successor law.

(d) “Hereof,” “herein,” “hereunder” and comparable terms refer, unless otherwise expressly indicated, to the entire agreement or instrument in which such terms are used and not to any particular article, section or other subdivision thereof or attachment thereto. References in an instrument to “Article,” “Section,” or another subdivision or to an attachment are, unless the context otherwise requires, to the relevant article, section, subsection or subdivision of or an attachment to such agreement or instrument. If such reference in this Agreement to “Article,” “Section,” or other subdivision does not specify an agreement or document, such reference refers to an article, section or other subdivision of this Agreement. All references to exhibits or

schedules in any agreement or instrument that is governed by this Agreement are to exhibits or schedules attached to such instrument or agreement.

(e) All titles and headings used herein are for convenience and references purposes only, and shall not be applicable in construing or interpreting obligations under this Agreement.

(f) The word “or” will have the inclusive meaning represented by the phrase “and/or.”

(g) “Shall” and “will” have equal force and effect.

12.11 Counterparts

This Agreement may be executed in counterparts, each of which will be considered an original, but all of which will constitute one instrument. Any counterpart may be delivered by facsimile transmission or by electronic communication in portable document format (.pdf) or tagged image format (.tif), and the Parties agree that their electronically transmitted signatures shall have the same effect as manually transmitted signatures.

[Signatures appear on next pages]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

OHIO POWER COMPANY

By_____

Name: _____

Title: _____

[SSO SUPPLIER SIGNATURES APPEAR ON SUCCEEDING PAGES]

[SSO SUPPLIER]

By: _____

Name:

Title

ATTACHMENTS

- A SSO Supplier Responsibility Share
- B Seasonal Billing Factor
- C Credit Examples
 - C-1 Independent Credit Requirement Per Tranche
 - C-2 Example Mark-To-Market Exposure Amount Calculation
- D Form of Guaranty
- E Form of SSO Supplier Letter of Credit
- F Sample PJM Invoice
- G Representative Form of PJM Declaration of Authority

ATTACHMENT A

SSO SUPPLIER RESPONSIBILITY SHARE

SSO Supplier	Price (\$MWh)	SSO Supplier Responsibility Share Percentage (%)	No. of Tranches
_____	_____/MWh	_____%	_____

Original Delivery Period: _____ __, 201_ at 12:01 a.m. prevailing Eastern Time through _____, 201_.

Fixed percentage per Tranche: _____%

Address for Notice:

1. In the case of all notices except those required under Article 5:

Name:

Address:

Telephone:

Facsimile:

E-mail:

Copy to:

Name:

Address:

Telephone:

Facsimile:

E-mail:

2. Article 5 Notices:

Name:

Address:

Telephone:

Facsimile:

E-mail:

[SSO SUPPLIER]

By: _____

Name:

Title:

ATTACHMENT B
SEASONAL BILLING FACTOR

The Seasonal Billing Factors are as follows:

June 1 through September 30 _____

October 1 through December 31 and
January 1 through May 31 _____

ATTACHMENT C-1

INDEPENDENT CREDIT REQUIREMENT PER TRANCHE

Month of Delivery Period	12-Month Procurement (\$/tranche)	24-Month Procurement (\$/tranche)	36-Month Procurement (\$/tranche)
Inception through Month 1	400,000	800,000	1,200,000
Month 2	400,000	800,000	1,200,000
Month 3	400,000	800,000	1,200,000
Month 4	300,000	700,000	1,100,000
Month 5	300,000	700,000	1,100,000
Month 6	300,000	700,000	1,100,000
Month 7	200,000	600,000	1,000,000
Month 8	200,000	600,000	1,000,000
Month 9	200,000	600,000	1,000,000
Month 10	100,000	500,000	900,000
Month 11	100,000	500,000	900,000
Month 12	100,000	500,000	900,000
Month 13		400,000	800,000
Month 14		400,000	800,000
Month 15		400,000	800,000
Month 16		300,000	700,000
Month 17		300,000	700,000
Month 18		300,000	700,000
Month 19		200,000	600,000
Month 20		200,000	600,000
Month 21		200,000	600,000
Month 22		100,000	500,000
Month 23		100,000	500,000
Month 24		100,000	500,000
Month 25			400,000
Month 26			400,000
Month 27			400,000
Month 28			300,000
Month 29			300,000
Month 30			300,000
Month 31			200,000
Month 32			200,000
Month 33			200,000
Month 34			100,000
Month 35			100,000
Month 36			100,000

ATTACHMENT C-2

EXAMPLE MARK-TO-MARKET EXPOSURE AMOUNT CALCULATION

The following is an illustration of the methodology AEP Ohio will use to determine the Mark-to-Market Exposure Amounts for each SSO Supplier.

On the closing day of the Solicitation, the following parameters will be determined by AEP Ohio:

1. The expected On-Peak SSO Load per Tranche;
2. The expected Off-Peak SSO Load per Tranche;
3. Prevailing On-Peak Forward Market Prices for each month during the Original Delivery Period;
4. Prevailing Off-Peak Forward Market Prices for each month during the Original Delivery Period;
5. On-Peak Price Adjustment Factors; and
6. Off-Peak Price Adjustment Factors.

For purposes of the Mark-to-Market Exposure Amount calculation, “On-Peak” means the hours between 7:00 a.m. and 11:00 p.m. prevailing Eastern Time on Monday through Friday, excluding NERC holidays. “Off-Peak” means any hours that are not considered On-Peak.

The SSO Load for each month will be calculated by multiplying (i) the number of customers then being provided generation service by AEP Ohio (the “Un-Switched Customers”) by (ii) the historical monthly average usage per customer derived from data including only the Un-Switched Customers served by AEP Ohio over a recent three-year period (“Historical Actual Usage”). The SSO Load will be calculated separately for each major rate class and then summed to determine the total SSO Load. The total SSO Load will then be separated into On-Peak and Off-Peak components (consistent with the definitions cited above), still on a monthly basis, based on the Historical Actual Usage for all customer classes combined. The SSO Load per Tranche (On-Peak and Off-Peak) will be equal to the fixed percentage, as set forth in Attachment A, of the total

SSO Load calculated for each component. The fixed percentage per Tranche may vary by auction and therefore, the SSO Load per Tranche will be calculated for each component based upon the fixed percentage per Tranche as set forth in Attachment A of the respective SSO Agreement.

To the extent that quoted Forward Market Prices are not available on a monthly basis, monthly Forward Market Prices will be determined by AEP Ohio with reference to available market price data. Notwithstanding the foregoing, if AEP Ohio is unable to obtain publicly available market price data for Forward Market Prices, Forward Market Prices will be determined by AEP Ohio using any method which AEP Ohio deems appropriate and which reasonably reflects forward market pricing conditions in PJM.

A set of monthly On-Peak Price Adjustment Factors and Off-Peak Price Adjustment Factors will be developed using historical PJM day-ahead hourly prices applied to hourly usage derived from Historical Actual Usage on the AEP Ohio system, which factors will be applied to On-Peak Forward Market Prices and Off-Peak Forward Market Prices respectively to yield Adjusted On-Peak Forward Market Prices and Adjusted Off-Peak Forward Market Prices. These Adjusted Forward Market Prices will be used for the purpose of computing the Mark-to-Market Exposure Amounts. The purpose of the Price Adjustment Factors is to restate the quoted Forward Market Prices, which are based on fixed block volumes of MWhs, to more closely approximate the price impact of serving a slice-of-system product which reflects hourly variations due to customer usage patterns. The Price Adjustment Factors are anticipated to be recalculated as of each future auction date and applied to all then existing Master SSO Supply Agreements.

The Adjusted Forward Market Prices prevailing on the closing day of the Solicitation are used to establish a “market value” for each month during the Original Delivery Period. Table 1 contains hypothetical initial Adjusted On-Peak and Off-Peak Forward Market Prices for a 24-month Original Delivery Period from June 2013 through May 2015. Table 1 shows the hypothetical “market value” of a Tranche, which will be established on the day the Solicitation is completed using the Adjusted Forward Market Prices determined as shown in Table 2.

For each calculation of the Mark-to-Market Exposure Amount, AEP Ohio will determine the Adjusted Forward Market Prices for each month during the Original Delivery Period. Table 3 shows the calculation of an updated “market value” using hypothetical Adjusted Forward Market Prices for each month during the Original Delivery Period assumed to be in effect immediately prior to the Delivery Period for the 24-month Original Delivery Period. The initial market value as of the Solicitation completion date is then subtracted from the updated market value to derive a change in market value. The Mark-to-Market Exposure Amount is then calculated on an undiscounted basis by multiplying this change in market value by Volume Adjustment Factors calculated for changes in On-Peak and Off-Peak per tranche loads. The final Mark-to-Market Exposure Amount is determined by stating the values on a present value basis as of the determination date by discounting the calculated values at the then prevailing LIBOR rate (not shown).

The On-Peak and Off-Peak Volume Adjustment Factors will be determined by recalculating the SSO Load per Tranche reflecting the then current number of Un-Switched Customers and Historical Actual Usage and calculating the On-Peak and Off-Peak ratios of the current SSO Load per Tranche to the initial SSO Load per Tranche. The value for Un-Switched Customers is anticipated to be updated on a monthly basis and the value of Historical Actual Usage is anticipated to be updated in conjunction with each successive auction of SSO Load, but not less than once each calendar year.

Table 1

Market Valuation on Solicitation Closing Date

[VALUES ARE FOR ILLUSTRATION ONLY]

	<u>Forward Market at Close</u> <u>of Solicitation (a)</u>		<u>Initial Tranche Volume (b)</u>		Mkt Value
	Adjusted On-Peak Market Price	Adjusted Off-Peak Market Price	On- Peak	Off- Peak	
	\$/MWh	\$/MWh	MWh	MWh	\$000
Jun-13	37.94	26.82	3,386	3,653	226
Jul-13	42.61	27.44	4,078	3,844	279
Aug-13	42.27	28.75	3,986	3,595	272
Sep-13	34.06	24.16	2,900	2,578	161
Oct-13	31.54	24.66	2,367	2,452	135
Nov-13	33.55	24.39	2,799	2,288	150
Dec-13	36.55	29.93	3,480	3,259	225
Jan-14	40.23	34.88	2,749	3,247	224
Feb-14	41.00	34.63	3,133	2,776	225
Mar-14	37.96	30.36	3,095	2,841	204
Apr-14	38.22	27.93	2,440	2,554	165
May-14	37.55	28.33	2,905	2,705	186
Jun-14	42.84	30.55	3,386	3,653	257
Jul-14	48.17	30.97	4,078	3,844	315
Aug-14	48.95	23.45	3,986	3,595	279
Sep-14	39.14	27.46	2,900	2,578	184
Oct-14	35.27	27.60	2,367	2,452	151
Nov-14	37.07	27.23	2,799	2,288	166
Dec-14	38.82	32.97	3,480	3,259	243
Jan-15	43.74	37.11	3,749	3,247	284
Feb-15	44.58	36.85	3,133	2,776	242
Mar-15	41.23	32.43	3,095	2,841	220
Apr-15	40.56	29.85	2,440	2,554	175
May-15	40.59	31.00	2,905	2,705	202

(a): Adjusted On-Peak and Off-Peak Forward Market Prices determined as shown on Table 2.

(b): Expected On-Peak and Off-Peak SSO Load per Tranche derived from Historical Actual Usage and number of Un-Switched Customer as described in Attachment C-2.

Table 2

Adjusted Market Price at Solicitation Closing Date

[VALUES ARE FOR ILLUSTRATION ONLY]

	<u>Forward Price at Close of</u> <u>Solicitation (a)</u>		<u>Price Adjustment Factor (b)</u>			
	On-Peak Market Price	Off-Peak Market Price	On- Peak	Off- Peak	Adjusted On-Peak Market Price	Adjusted Off-Peak Market Price
	\$/MWh	\$/MWh			\$/MWh	\$/MWh
Jun-13	36.00	24.40	1.054	1.097	37.94	26.82
Jul-13	41.80	26.80	1.019	1.024	42.61	27.44
Aug-13	40.80	26.80	1.037	1.073	42.27	28.75
Sep-13	33.90	24.10	1.006	1.002	34.06	24.16
Oct-13	32.10	23.90	0.983	1.032	31.54	24.66
Nov-13	33.40	24.90	1.004	0.980	33.55	24.39
Dec-13	36.30	29.50	1.008	1.015	36.55	29.93
Jan-14	40.10	33.50	1.002	1.041	40.23	34.88
Feb-14	40.20	33.50	1.021	1.034	41.00	34.63
Mar-14	37.70	30.10	1.006	1.009	37.96	30.36
Apr-14	37.60	28.40	1.017	0.982	38.22	27.93
May-14	37.60	27.10	0.999	1.046	37.55	28.33
Jun-14	40.60	27.80	1.054	1.097	42.84	30.55
Jul-14	47.30	30.20	1.019	1.024	48.17	30.97
Aug-14	47.20	21.90	1.036	1.073	48.95	23.45
Sep-14	38.90	27.40	1.006	1.002	39.14	27.46
Oct-14	35.90	26.70	0.983	1.032	35.27	27.60
Nov-14	36.90	27.80	1.004	0.980	37.07	27.23
Dec-14	38.50	32.50	1.008	1.015	38.82	32.97
Jan-15	43.70	35.60	1.002	1.041	43.74	37.11
Feb-15	43.70	35.60	1.021	1.034	44.58	36.85
Mar-15	41.00	32.10	1.006	1.009	41.23	32.43
Apr-15	39.90	30.40	1.017	0.982	40.56	29.85
May-15	40.60	29.60	0.999	1.046	40.59	31.00

(a): On-Peak and Off-Peak Forward Market Prices as determined by reference to available market price data at time of Solicitation Close Date.

(b) Price Adjustment Factors as determined by AEP Ohio as described in Attachment C-2.

Table 3
Market Valuation Immediately Prior to Start of Delivery Period
[VALUES ARE FOR ILLUSTRATION ONLY]

	<u>Forward Price (a)</u>		<u>Initial Tranche Volume (b)</u>		<u>Current Mkt</u>	<u>Original Mkt Value on Solicitation Closing Date (c)</u>	<u>Change in Mkt Value</u>	<u>Volume Adjustment Factor</u>		<u>Volume Adjustment Change in Mkt Value</u>
	<u>On- Peak Market Price</u>	<u>Off- Peak Market Price</u>	<u>On- Peak</u>	<u>Off- Peak</u>				<u>On- Peak</u>	<u>Off- Peak</u>	
	\$/MWh	\$/MWh	MWh	MWh	\$000	\$000	\$000			\$000
Jun-13	39.60	26.90	3,386	3,653	232	226	6	0.8810	0.8955	5
Jul-13	45.98	29.48	4,078	3,844	301	279	22	1.0025	1.0054	22
Aug-13	44.88	29.48	3,986	3,595	285	272	13	1.0022	1.0061	14
Sep-13	37.24	26.51	2,900	2,578	176	161	15	1.0060	1.0088	15
Oct-13	35.31	26.29	2,367	2,452	148	135	13	1.0022	1.0039	13
Nov-13	36.74	27.39	2,799	2,288	166	150	16	1.0002	1.0019	16
Dec-13	39.88	32.45	3,480	3,259	245	225	20	1.0000	1.0013	20
Jan-14	49.90	45.44	2,749	3,247	285	264	21	0.9460	0.9415	58
Feb-14	44.17	36.85	3,133	2,776	241	225	16	0.9952	0.9873	16
Mar-14	41.53	33.11	3,095	2,841	223	204	19	0.9581	0.9865	19
Apr-14	41.36	31.30	2,440	2,554	181	165	16	0.9069	0.9120	15
May-14	41.36	29.81	2,905	2,705	201	186	15	0.9293	0.9289	14
Jun-14	44.72	30.64	3,386	3,653	263	257	6	0.8810	0.8955	5
Jul-14	51.98	33.28	4,078	3,844	340	315	25	1.0025	1.0054	25
Aug-14	51.98	33.28	3,986	3,595	327	312	15	1.0022	1.0061	48
Sep-14	42.79	30.14	2,900	2,578	202	184	18	1.0059	1.0088	17
Oct-14	39.49	29.43	2,367	2,452	166	151	15	1.0021	1.0039	14
Nov-14	40.59	30.58	2,799	2,288	184	166	18	1.0002	1.0019	18
Dec-14	42.35	35.75	3,480	3,259	264	243	21	1.0000	1.0014	22
Jan-15	48.02	39.22	3,749	3,247	307	284	23	0.9460	0.9416	22
Feb-15	48.02	39.22	3,133	2,776	259	242	17	0.9952	0.9873	17
Mar-15	45.10	35.37	3,095	2,841	240	220	20	0.9582	0.9865	19
Apr-15	43.89	33.44	2,440	2,554	192	175	17	0.9070	0.9120	15
May-15	44.72	32.62	2,905	2,705	218	202	16	0.9293	0.9289	15
Total Mark to Market Exposure per Tranche(before discounting)(d)										
										464

(a): Adjusted On-Peak and Off-Peak Forward Market Prices determined as described in Attachments C-2 as of the date immediately prior to start of Delivery Period.

(b) Expected ON-Peak and Off-Peak SSO Load per Tranche determined as of Solicitation Closing Date - see Table 1.

(c): Original Market Value at Solicitation shown on Table 1.

(d) Actual values will be determined by calculating the present value of the Volume Adjusted Change in Market Value.

ATTACHMENT D
FORM OF GUARANTY

[ICT / TOTAL EXPOSURE AMOUNT] GUARANTY OF
_____ [Guarantor]

This Guaranty, dated as of _____, 201_, is made by _____, a _____ [corporation] (the "Guarantor"), for the benefit of Ohio Power Company, an Ohio corporation ("AEP Ohio"). Capitalized terms used herein but not defined herein shall have the meaning given such terms in the Agreement (as defined below).

WHEREAS, AEP Ohio has entered into or will be entering into that certain Master SSO Supply Agreement dated _____, 201_ (the "Agreement") with _____, a _____ [corporation] (the "SSO Supplier"), which may involve the extension of credit by AEP Ohio. Guarantor hereby acknowledges that it will receive a direct or indirect benefit from the business transactions between the SSO Supplier and AEP Ohio and the making of this Guaranty.

NOW, THEREFORE, in consideration of, and as an inducement for, AEP Ohio entering into the Agreement, the Guarantor hereby covenants and agrees as follows:

1. **Guaranty.** The Guarantor hereby unconditionally and absolutely guarantees to AEP Ohio the prompt payment when due, subject to any applicable grace period and upon demand in writing from AEP Ohio, of any and all amounts payable by the SSO Supplier to AEP Ohio arising out of the Agreement in connection with SSO Supplier's [ICR / Total Exposure Amount] (the "Obligations"). Notwithstanding the aggregate amount of the Obligations at any time or from time to time payable by the SSO Supplier to AEP Ohio, the liability of the Guarantor to AEP Ohio shall not exceed _____ U.S. Dollars (\$_____).

2. **Nature of Guaranty.** The Guarantor hereby agrees that its obligations hereunder shall be unconditional irrespective of the impossibility or illegality of performance by the SSO Supplier under the Agreement; the absence of any action to enforce the Agreement; any waiver or consent by AEP Ohio concerning any provisions of the Agreement; the rendering of any judgment against the SSO Supplier or any action to enforce the same; any failure by AEP Ohio to take any steps necessary to preserve its rights to any security or collateral for the Obligations; the release of all or any portion of any collateral by AEP Ohio; or any failure by AEP Ohio to perfect or to keep perfected its security interest or lien in any portion of any collateral.

This Guaranty is one of payment and not of collection. This Guaranty shall remain in full force and effect or shall be reinstated (as the case may be) if at any time any payment guaranteed hereunder, in whole or in part, is rescinded or must otherwise be returned by AEP Ohio upon the insolvency, bankruptcy or reorganization of the SSO Supplier or otherwise, all as though such payment had not been made.

3. **Waivers.** Guarantor's obligation hereunder with respect to the Obligations shall not be affected by the existence, validity, enforceability, perfection or extent of any collateral for such

Obligations covered hereunder, or by any extension, or the acceptance of any sum or sums on account of SSO Supplier, or of any note or draft of SSO Supplier and/or any third party, or security

from SSO Supplier. AEP Ohio shall not be obligated to file any claim relating to the Obligations owing to it in the event that SSO Supplier becomes subject to bankruptcy, insolvency, reorganization, liquidation, dissolution, or similar proceedings affecting SSO Supplier (whether voluntary or involuntary), and the failure of AEP Ohio to so file shall not affect Guarantor's obligations hereunder.

4. **Effect of Amendments.** Guarantor agrees that AEP Ohio and SSO Supplier may modify or amend any or all of the Agreement and that AEP Ohio may, according to the Agreement, delay or extend the date on which any performance must be made under the Agreement, or release SSO Supplier from the obligation to so perform or waive any right thereunder, all without notice to or further assent by Guarantor, who shall remain bound by this Guaranty, notwithstanding any such act by AEP Ohio.

5. **Termination.** This Guaranty is intended to be and shall be construed to be a continuing, absolute and unconditional guaranty, and shall remain in full force and effect until all Obligations have been fully and finally performed, at which point it will expire. The Guarantor may terminate this Guaranty upon thirty (30) days prior written notice to AEP Ohio, which termination shall be effective only upon receipt by AEP Ohio of alternative means of security or credit support, as specified in the Agreement and in a form reasonably acceptable to AEP Ohio. Upon the effectiveness of any such expiration or termination, the Guarantor shall have no further liability under this Guaranty, except with respect to the Obligations existing prior to the time the expiration or termination is effective, which Obligations shall remain guaranteed pursuant to the terms of this Guaranty until finally and fully performed.

6. **Notices.** All notices and other communications about this Guaranty must be in writing, must be given by facsimile, hand delivery or overnight courier service and must be addressed or directed to the respective parties as follows:

If to AEP Ohio, to:

Facsimile No.: _____

Attn.: _____

If to the Guarantor, to:

Facsimile No.: _____

Attn.: _____

Notices are effective when actually received by the party to which they are given, as evidenced by facsimile transmission report, written acknowledgment or affidavit of hand delivery or courier receipt.

7. **Representations and Warranties.** The Guarantor represents and warrants to AEP Ohio as of the date hereof that:

a) The Guarantor is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has full power and legal right to execute and deliver this Guaranty and to perform the provisions of this Guaranty on its part to be performed;

b) The execution, delivery and performance of this Guaranty by the Guarantor have been and remain duly authorized by all necessary corporate action and do not contravene any provision of its certificate of incorporation or by-laws or any law, regulation or contractual restriction binding on it or its assets;

c) All consents, authorizations, approvals, registrations and declarations required for the due execution, delivery and performance of this Guaranty have been obtained from or, as the case may be, filed with the relevant governmental authorities having jurisdiction and remain in full force and effect, and all conditions thereof have been duly complied with and no other action by, and no notice to or filing with, any governmental authority having jurisdiction is required for such execution, delivery or performance; and

d) This Guaranty constitutes the legal, valid and binding obligation of the Guarantor enforceable against it in accordance with its terms, except as enforcement hereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights or by general equity principles.

8. **Certification.** The Guarantor hereby certifies that it satisfies the Minimum Rating as defined in the Agreement.

9. **Setoffs and Counterclaims.** Without limiting the Guarantor's own defenses and rights hereunder, the Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which the SSO Supplier is or may be entitled arising from or out of the Agreement, except for defenses arising out of bankruptcy, insolvency, dissolution or liquidation of the SSO Supplier.

10. **Subrogation.** The Guarantor will not exercise any rights that it may acquire by way of subrogation until all Obligations shall have been paid in full. Subject to the foregoing, upon payment of all such Obligations, the Guarantor shall be subrogated to the rights of AEP Ohio against the SSO Supplier, and AEP Ohio agrees to take at the Guarantor's expense such steps as the Guarantor may reasonably request to implement such subrogation.

11. **Expenses.** The Guarantor hereby agrees to pay on demand all reasonable out-of-pocket expenses (including the reasonable fees and expenses of AEP Ohio's counsel) in any way relating to the enforcement or protection of the rights of AEP Ohio hereunder; provided that the Guarantor shall not be liable for any expenses of AEP Ohio if no payment under this Guaranty is due.

12. **Assignment.** This Guaranty shall be binding upon the Guarantor and upon its permitted successors and assigns, and shall inure to the benefit of AEP Ohio and its permitted successors and assigns and shall apply to all successors and assigns of the SSO Supplier. The Guarantor may not assign this Guaranty nor delegate its duties or rights hereunder without the prior express written consent of AEP Ohio. AEP Ohio may assign this Guaranty in accordance with the terms of the Agreement.

13. **Amendments.** No term or provision of this Guaranty shall be amended, modified, altered, waived, or supplemented except in writing and signed by the parties hereto; provided, however, the Guarantor may increase the aggregate amount of the obligations in this Guaranty without a countersignature.

14. **Choice of Law and Venue.** The Guarantor and AEP Ohio hereby agree that this Guaranty shall be governed by and construed in accordance with the internal laws of the State of Ohio without giving effect to principles of conflicts of law.

15. **Waiver of Jury Trial.** The Guarantor and AEP Ohio, through acceptance of this Guaranty, waive all rights to trial by jury in any action, proceeding or counterclaim arising or relating to this Guaranty.

16. **Miscellaneous.** This Guaranty is the entire and only agreement between the Guarantor and AEP Ohio with respect to the guarantee of amounts payable by the SSO Supplier to AEP Ohio arising out of the Agreement in connection with SSO Supplier's [ICR / Total Exposure Amount]. All representations, warranties, agreements, or undertakings heretofore or contemporaneously made, which are not set forth herein, are superseded hereby.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed in its [corporate] name by its duly authorized representative as of the date first above written.

[GUARANTOR]

By: _____

Its: _____

ATTACHMENT E

FORM OF SSO SUPPLIER LETTER OF CREDIT

_____ (Date)

Letter of Credit No. _____

To: Ohio Power Company ("Beneficiary")
1 Riverside Plaza
Columbus, Ohio 43215
Attention: Credit Risk Management

1. We hereby establish in your favor this irrevocable transferable Letter of Credit (this "Letter of Credit") for the account of _____ (the "Applicant"), in the aggregate amount of \$_____, effective immediately and available to you at sight upon demand at our counters at _____ (location) and expiring 364 days from date of issuance or any extension thereof (in the form of Annex 5), unless terminated earlier or automatically extended in accordance with the provisions hereof or otherwise extended.

2. This Letter of Credit is issued at the request of the Applicant, and we hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, up to the maximum amount of this Letter of Credit, subject to reduction as provided in Paragraph 12 hereof. This Letter of Credit may be drawn:

(a) upon an Event of Default with respect to the Applicant under the Master Standard Service Offer Supply Agreement; or

(b) in the event the Applicant has failed to supply a substitute letter of credit thirty (30) days prior to the expiration of this Letter of Credit as required by the Master Standard Service Offer Supply Agreement.

3. A partial or full drawing hereunder may be made by you on any Business Day on or prior to the expiration of this Letter of Credit by delivering, by no later than 11:00 A.M. (prevailing Eastern Time¹) on such Business Day to _____ (Bank), _____ (address), (i) a notice in the form of Annex 1 hereto, appropriately completed and duly signed by an Authorized Officer of the Beneficiary and (ii) your draft in the form of Annex 2 hereto, appropriately completed and duly signed by an Authorized Officer of the Beneficiary.

4. We may, but shall not be obligated to, accept any request to issue a substitute letter of credit. Such request shall be in an Availability Certificate in the form of Annex 3 hereto by you to us for exchange for a new letter of credit in the amount set forth in an Availability Certificate, which amount shall not exceed the present value of this Letter of Credit. Upon acceptance by us of

¹ If the issuer of the Letter of Credit is located in an area that is not in the Eastern time zone, this time and all other times in this Letter of Credit, and the definition of a Business Day should be adjusted accordingly.

any such request to issue a substitute letter of credit for exchange, the new letter of credit shall be issued in the amount as set forth in the Availability Certificate.

5. We hereby agree to honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in the draft delivered to us in connection with such drawing to such account at such banks in the United States as you may specify in your draft delivered to us pursuant to Paragraph 3 hereof, by 3:00 P.M. prevailing Eastern Time on the date of such drawing, if delivery of this requisite document is made prior to 11:00 A.M. (prevailing Eastern time) on a Business Day pursuant to Paragraph 3 hereof, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery of the requisite document is made after 11:00 A.M. (prevailing Eastern time) on any Business Day pursuant to Paragraph 3 hereof.

6. If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, we shall give you prompt notice (not later than three (3) Business Days following the date of receipt of the documents) that the demand for payment was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reasons therefore and that we will upon your instructions hold any documents at your disposal or return the same to you. Upon being notified that the demand for payment was not effected in conformity with this Letter of Credit, you may attempt to correct any such non-conforming demand for payment to the extent that you are entitled to do so, provided, however, that in such event a conforming demand for payment must be timely made in accordance with the terms of this Letter of Credit.

7. This Letter of Credit will automatically terminate and be delivered to us for cancellation on the earliest of (i) the making by you of the drawings in an amount equal to the maximum amount available to be made hereunder; (ii) the date we issue a new letter of credit in exchange for this Letter of Credit in accordance with Paragraph 4 hereof; and (iii) the date we receive from you a Certificate of Expiration in the form of Annex 4 hereto. The Letter of Credit will be automatically extended without written amendment for successive additional one (1) year periods from the current or any future extended expiry date, unless at least ninety (90) days prior to such date of expiration, we give written notice to the Beneficiary by registered or certified mail, return receipt requested, or by overnight courier, at the address set forth above, or at such other address of which prior written notice has been provided to us, that we elect not to renew this Letter of Credit for such additional one (1) year period.

8. As used herein:

“Authorized Officer” shall mean President, Treasurer, any Vice President, any Assistant Treasurer or any other person holding an equivalent title.

“Availability Certificate” shall mean a certificate substantially in the form of Annex 3 hereto, appropriately completed and duly signed by an Authorized Officer of the Beneficiary.

“Business Day” shall mean any day on which commercial banks are not authorized or required to close in New York, NY and any day on which payments can be effected on the Fed wire system.

“Master Standard Service Offer Supply Agreement” shall mean that certain Master Standard Service Offer Supply Agreement between the Applicant and the Beneficiary, dated _____.

9. This Letter of Credit is assignable and transferable, in accordance with Annex 6, to an entity certified by you to us in the form of Annex 6, and we hereby consent to such assignment or transfer, provided that this Letter of Credit may not otherwise be amended or modified without consent from us, you and the Applicant, and, except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 Revision, ICC Publication No. 600, or any successor publication thereto (the “UCP”). Any and all banking charges, transfer fees, expenses and costs shall be borne by the Applicant. This Letter of Credit shall, as to matters not governed by the UCP, be governed and construed in accordance with New York law, without regard to principles of conflicts of law.

10. This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, changed, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Annexes 1 through 6 hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as set forth above.

11. We certify that as of _____(date) we _____ (“Bank”) satisfy the minimum long-term senior unsecured debt rating of “A-” from Standard & Poor’s Rating Services or “A3” from Moody’s Investors Service, Inc.

12. The amount which may be drawn by you under this Letter of Credit shall be automatically reduced by the amount of any drawings paid through us referencing this Letter of Credit No. _____. Partial drawings are permitted hereunder. Drafts showing amounts in excess of amounts available under this Letter of Credit are acceptable, however, in no event will payment exceed the amount available to be drawn under this Letter of Credit.

13. Faxed document(s) are acceptable. Presentation by fax must be made to fax number _____ confirmed by telephone to _____.

14. In the event of act of God, riot, civil commotion, insurrection, war, terrorism or any strikes or lock outs, or any cause beyond our control, that interrupts our business, and causes the place for presentation of this Letter of Credit to be closed for business on the last day of presentation, the expiration date of this Letter of Credit shall be automatically extended without amendment to a date thirty (30) calendar days after the place for presentation reopens for business.

15. This original Letter of Credit has been sent to the Beneficiary located at _____ (as per Applicant’s instructions). Any demands or communications in the form of the attached Annexes (except for Annex 5) or other communications directed to us under this Letter of Credit must be signed by an Authorized Officer of the Beneficiary. Acceptance or rejection of any amendments to this Letter of Credit or any extensions pursuant to Annex 5 must be signed by an Authorized Officer of the Beneficiary.

Very truly yours,

(Bank)

By: _____

Name:

Title:

By: _____

Name:

Title:

Annex 1 to Letter of Credit

DRAWING UNDER LETTER OF CREDIT NO. _____

_____, 20__

To: (Bank)
(Address)

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

The undersigned is making a drawing under the above-referenced Letter of Credit in the amount specified below and hereby certifies to you as follows:

1. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the Letter of Credit.
2. Pursuant to Paragraph 2 of the Letter of Credit No. _____, dated _____, 20__, the undersigned is entitled to make a drawing under the Letter of Credit in the aggregate amount of \$_____, inasmuch as (choose one of the following by placing an "X" on the line preceding the statement):

_____ (a) An Event of Default has occurred with respect to the Applicant under the Master Standard Service Offer Supply Agreement;

_____ (b) The Applicant has failed to supply a substitute letter of credit thirty (30) days prior to the expiration of this Letter of Credit as required by the Master Standard Service Offer Supply Agreement.

3. The amount to be received by Ohio Power Company is \$_____.

4. We acknowledge that, upon your honoring the drawing herein requested, the amount of the Letter of Credit available for drawing shall be automatically decreased by an amount equal to this drawing.

Very truly yours,

Ohio Power Company

By: _____

Name:

Title:

Date:

Annex 2 to Letter of Credit

DRAWING UNDER LETTER OF CREDIT NO. _____

_____, 20__

ON [Business Day set forth in Paragraph 5]

PAY TO: Ohio Power Company

\$ _____

For credit to the account of _____.

FOR VALUE RECEIVED AND CHARGE TO ACCOUNT OF LETTER OF CREDIT NO.
_____ OF

(Bank)

(Address)

Ohio Power Company

By: _____

Name:

Title:

Date:

Annex 3 to Letter of Credit

AVAILABILITY CERTIFICATE
UNDER LETTER OF CREDIT NO. _____

_____, 20__

To: (Bank)

(Address)

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

Each of the undersigned hereby requests that, in exchange for the above-referenced Letter of Credit, a new letter of credit be issued in the aggregate amount of \$_____ (the “New Amount”) and to expire on _____(date), but otherwise in the form of the above-referenced Letter of Credit.

Please acknowledge your intention to issue such new letter of credit in the New Amount upon the surrender of the above-referenced Letter of Credit by signing the attached acknowledgment copy hereof and forwarding it to:

[Beneficiary’s Address]

Very truly yours,

Ohio Power Company

By: _____

Name:

Title:

Date:

Agreed and Accepted

(Bank)

By: _____

Title:

Date:

APPLICANT NAME

By:

Name:

Title:

Date:

Annex 4 to Letter of Credit

CERTIFICATE OF EXPIRATION
OF LETTER OF CREDIT NO. _____

_____, 20__

To: (Bank)
(Address)

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without payment. Attached hereto is said Letter of Credit, marked cancelled.

Ohio Power Company

By: _____

Name:

Title:

Date:

cc: _____ (Applicant Name)

Annex 5 to Letter of Credit

NOTICE OF EXTENSION
OF LETTER OF CREDIT NO. _____

_____, 20__

To: Ohio Power Company

Attention: Chief Risk Officer

Re: Our Letter of Credit No. _____ presently in the aggregate amount of USD _____ issued for the account of _____ and expiring on _____.

On the expiration date of the Letter of Credit No. _____, we will issue a new Letter of Credit No. _____ to expire on _____ (date). This new Letter of Credit No. _____ will, aside from the expiration date, be in the amount and form of our Letter of Credit No. _____.

Very truly yours,

BANK _____

By:
Name:
Title:
Date:

Ohio Power Company

By: _____
Name:
Title:
Date:

cc: _____ (Applicant Name)

Annex 6 to Letter of Credit

NOTICE OF TRANSFER
OF LETTER OF CREDIT NO. _____

_____, 20__

To:

[Bank]

[Bank Address]

To Whom It May Concern:

Re: Credit _____

Issued by _____

Advice No _____

For the value received, the undersigned Beneficiary hereby irrevocably transfers to:

(Name of Transferee)

(Address)

all rights of the undersigned Beneficiary to draw under the above Letter of Credit in its entirety.

By this transfer, all rights of the undersigned Beneficiary in such Letter of Credit are transferred to the transferee and the transferee shall have the sole rights as beneficiary thereof, including sole rights relating to any amendments, whether increases, extensions or other amendments and whether now existing or hereafter made. All amendments are to be advised direct to the transferee without necessity of any consent of or notice to the undersigned beneficiary.

The advice of such Letter of Credit is returned herewith, and we ask you to endorse the transfer on the reverse thereof, and forward it directly to the transferee with your customary notice of transfer.

Very truly yours,

Ohio Power Company

By: _____

Name:

Title:

Date:

The above signature with title as stated conforms to that on file with us and is authorized for the execution of said instruments.

(Name of authenticating party)

(Authorized signature of authenticating party)

Name

Title

ATTACHMENT F

SAMPLE PJM INVOICE

PJM Billing Statement Line Items (as of 11.7.13)		
ID #	Resp.	CHARGES
1000	SSO S	Amount Due for Interest on Past Due Charges
1100	EDC	Network Integration Transmission Service
1108	EDC	Transmission Enhancement
1110	SSO S	Direct Assignment Facilities
1120	SSO S	Other Supporting Facilities
1130	SSO S	Firm Point-to-Point Transmission Service
1133	SSO S	Firm Point-to-Point Transmission Service Resale
1140	SSO S	Non-Firm Point-to-Point Transmission Service
1143	SSO S	Non-Firm Point-to-Point Transmission Service Resale
1200	SSO S	Day-ahead Spot Market Energy
1205	SSO S	Balancing Spot Market Energy
1210	SSO S	Day-ahead Transmission Congestion
1215	SSO S	Balancing Transmission Congestion
1218	SSO S	Planning Period Congestion Uplift
1220	SSO S	Day-ahead Transmission Losses
1225	SSO S	Balancing Transmission Losses
1230	SSO S	Inadvertent Interchange
1240	SSO S	Day-ahead Economic Load Response
1241	SSO S	Real-time Economic Load Response
1242	SSO S	Day-Ahead Load Response Charge Allocation
1243	SSO S	Real-Time Load Response Charge Allocation
1245	SSO S	Emergency Load Response
1250	SSO S	Meter Error Correction
1260	SSO S	Emergency Energy
1301	SSO S	PJM Scheduling, System Control and Dispatch Service - Control Area Administration
1302	SSO S	PJM Scheduling, System Control and Dispatch Service - FTR Administration
1303	SSO S	PJM Scheduling, System Control and Dispatch Service - Market Support
1304	SSO S	PJM Scheduling, System Control and Dispatch Service - Regulation Market Administration
1305	SSO S	PJM Scheduling, System Control and Dispatch Service - Capacity Resource/Obligation Mgmt.
1306	SSO S	PJM Scheduling, System Control and Dispatch Service - Advanced Second Control Center
1307	SSO S	PJM Scheduling, System Control and Dispatch Service - Market Support Offset
1308	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - Control Area Administration
1309	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - FTR Administration
1310	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - Market Support
1311	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - Regulation Market Administration

1312	SSO S	PJM Scheduling, System Control and Dispatch Service Refund - Capacity Resource/Obligation Mgmt.
1313	SSO S	PJM Settlement, Inc.
1314	SSO S	Market Monitoring Unit (MMU) Funding
1315	SSO S	FERC Annual Recovery
1316	SSO S	Organization of PJM States, Inc. (OPSI) Funding
1317	SSO S	North American Electric Reliability Corporation (NERC)
1318	SSO S	Reliability First Corporation (RFC)
1320	EDC	Transmission Owner Scheduling, System Control and Dispatch Service
1330	EDC	Reactive Supply and Voltage Control from Generation and Other Sources Service
1340	SSO S	Regulation and Frequency Response Service
1350	SSO S	Energy Imbalance Service
1360	SSO S	Synchronized Reserve
1362	SSO S	Non-Synchronized Reserve
1365	SSO S	Day-ahead Scheduling Reserve
1370	SSO S	Day-ahead Operating Reserve
1371	SSO S	Day-ahead Operating Reserve for Load Response
1375	SSO S	Balancing Operating Reserve
1376	SSO S	Balancing Operating Reserve for Load Response
1377	SSO S	Synchronous Condensing
1378	SSO S	Reactive Services
1380	SSO S	Black Start Service
1400	SSO S	Load Reconciliation for Spot Market Energy
1410	SSO S	Load Reconciliation for Transmission Congestion
1420	SSO S	Load Reconciliation for Transmission Losses
1430	SSO S	Load Reconciliation for Inadvertent Interchange
1440	SSO S	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service
1441	SSO S	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund
1442	SSO S	Load Reconciliation for Schedule 9-6 - Advanced Second Control Center
1444	SSO S	Load Reconciliation for Market Monitoring Unit (MMU) Funding
1445	SSO S	Load Reconciliation for FERC Annual Recovery
1446	SSO S	Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding
1447	SSO S	Load Reconciliation for North American Electric Reliability Corporation (NERC)
1448	SSO S	Load Reconciliation for Reliability First Corporation (RFC)
1450	EDC	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service
1460	SSO S	Load Reconciliation for Regulation and Frequency Response Service
1470	SSO S	Load Reconciliation for Synchronized Reserve
1472	SSO S	Load Reconciliation for Non-Synchronized Reserve
1475	SSO S	Load Reconciliation for Day-ahead Scheduling Reserve
1478	SSO S	Load Reconciliation for Balancing Operating Reserve
1480	SSO S	Load Reconciliation for Synchronous Condensing
1490	SSO S	Load Reconciliation for Reactive Services

1500	SSO S	Financial Transmission Rights Auction
1600	SSO S	RPM Auction
1610	SSO S	Locational Reliability
1650	SSO S	Non-Unit Specific Capacity Transaction
1660	SSO S	Demand Resource and ILR Compliance Penalty
1661	SSO S	Capacity Resource Deficiency
1662	SSO S	Generation Resource Rating Test Failure
1663	SSO S	Qualifying Transmission Upgrade Compliance Penalty
1664	SSO S	Peak Season Maintenance Compliance Penalty
1665	SSO S	Peak-Hour Period Availability
1720	SSO S	RTO Start-up Cost Recovery
1730	SSO S	Expansion Cost Recovery
1920	SSO S	Station Power
1930	EDC	Generation Deactivation
1980	SSO S	Miscellaneous Bilateral
1995	SSO S	PJM Annual Membership Fee
1999	SSO S	PJM Customer Payment Default
ID #	Resp.	CREDITS
2100	SSO S	Network Integration Transmission Service
2106	SSO S	Non-Zone Network Integration Transmission Service
2108	SSO S	Transmission Enhancement
2110	SSO S	Direct Assignment Facilities
2120	SSO S	Other Supporting Facilities
2130	EDC	Firm Point-to-Point Transmission Service
2132	SSO S	Internal Firm Point-to-Point Transmission Service
2133	SSO S	Firm Point-to-Point Transmission Service Resale
2140	EDC	Non-Firm Point-to-Point Transmission Service
2142	SSO S	Internal Non-Firm Point-to-Point Transmission Service
2143	SSO S	Non-Firm Point-to-Point Transmission Service Resale
2210	SSO S	Transmission Congestion
2217	SSO S	Planning Period Excess Congestion
2218	SSO S	Planning Period Congestion Uplift
2220	SSO S	Transmission Losses
2240	SSO S	Day-ahead Economic Load Response
2241	SSO S	Real-time Economic Load Response
2245	SSO S	Emergency Load Response
2260	SSO S	Emergency Energy
2320	SSO S	Transmission Owner Scheduling, System Control and Dispatch Service
2330	SSO S	Reactive Supply and Voltage Control from Generation and Other Sources Service
2340	SSO S	Regulation and Frequency Response Service
2350	SSO S	Energy Imbalance Service
2360	SSO S	Synchronized Reserve

2365	SSO S	Day-ahead Scheduling Reserve
2370	SSO S	Day-ahead Operating Reserve
2371	SSO S	Day-ahead Operating Reserve for Load Response
2375	SSO S	Balancing Operating Reserve
2376	SSO S	Balancing Operating Reserve for Load Response
2377	SSO S	Synchronous Condensing
2378	SSO S	Reactive Services
2380	SSO S	Black Start Service
2420	SSO S	Load Reconciliation for Transmission Losses
2500	SSO S	Financial Transmission Rights Auction
2510	SSO S	Auction Revenue Rights
2600	SSO S	RPM Auction
2620	SSO S	Interruptible Load for Reliability
2630	SSO S	Capacity Transfer Rights
2640	SSO S	Incremental Capacity Transfer Rights
2650	SSO S	Non-Unit Specific Capacity Transaction
2660	SSO S	Demand Resource and ILR Compliance Penalty
2661	SSO S	Capacity Resource Deficiency
2662	SSO S	Generation Resource Rating Test Failure
2663	SSO S	Qualifying Transmission Upgrade Compliance Penalty
2664	SSO S	Peak Season Maintenance Compliance Penalty
2665	SSO S	Peak-Hour Period Availability
2666	SSO S	Load Management Test Failure
2912	SSO S	CT Lost Opportunity Cost Allocation
2930	EDC	Generation Deactivation
2980	SSO S	Miscellaneous Bilateral

ATTACHMENT G

SAMPLE FORM OF DECLARATION OF AUTHORITY

This Declaration of Authority is made this _____ day of _____, _____ by Ohio Power Company (“**PARTY A**”) and [SSO Supplier] (“**PARTY B**”) for the benefit of PJM Interconnection, L.L.C. (“PJM”).

RECITALS:

WHEREAS, PJM is a Regional Transmission Organization subject to the jurisdiction of the Federal Energy Regulatory Commission;

WHEREAS, PJM administers centralized markets that clear various electric energy and energy-related products among multiple buyers and sellers;

WHEREAS, PJM additionally exercises operational control over its members’ transmission facilities whereby PJM provides control area functions, including economic dispatch, the scheduling of transmission service and emergency response to ensure reliability across an integrated transmission system; and

WHEREAS, in capacities more fully described below, PARTY A and PARTY B seek to participate either directly or indirectly in the markets administered by PJM or engage in operations that use or affect the integrated transmission system operated by PJM.

DECLARATION:

NOW, THEREFORE, acknowledging that PJM will rely on the truth, accuracy and completeness of the statements made below, PARTY A and PARTY B, as indicated below, provide the following declaration:

1. Declaration.

a. PARTY B hereby declares that in all activities with PJM regarding PARTY B’s provision of energy, capacity, ancillary services, scheduling and procurement of transmission service, congestion management and all other required products and services necessary to serve the load obligation assumed by PARTY B under the Master SSO Supply Agreement, dated [____], by and between PARTY A and Party B (the "Agreement"), PARTY B shall be billed and be primarily liable to PJM for all costs associated in its procurement of such products and services (the "Declaration").

2. Reliance On Declarations

a. Each of PARTY A and PARTY B recognizes and accepts that PJM is relying on the truth, accuracy and completeness of the Declaration made in making its

assessments as to creditworthiness and in assuring PJM's own compliance with its tariff, operating agreement, reliability agreement and business practices.

b. Each of PARTY A and PARTY B recognizes and accepts that each has a continuing duty to notify PJM if and when the Declaration made cease to be accurate and complete. Until such time as PJM receives written notification of any changes to such Declaration, signed by both PARTY A and PARTY B, PJM shall be entitled to rely perpetually on this Declaration as governing its relationship with PARTY A and PARTY B as to the subject matter of this Declaration. Any written notice of changes to the Declaration must be provided to PJM at least thirty days in advance of their effectiveness.

c. Each of PARTY A and PARTY B recognize and acknowledge that PJM will receive and rely on individually modeled accounts that contain only zonal-specific Provider of Last Resort load to manually adjust the accounts to move the applicable billing line items' amounts in their entirety from the applicable supplier's account to the applicable buyer's account.

d. PARTY A and PARTY B recognize and acknowledge that they have entered into the Agreement and that the Declaration is not intended in any way to change, revise or redistribute the rights and obligations of PARTY A or PARTY B under the Agreement. If the Declaration is determined to be inconsistent with any provision of the Agreement, with respect to the rights and obligations of PARTY A and PARTY B under the Agreement, the provisions of the Agreement shall be controlling on PARTY A and PARTY B.

3. Duration.

a. Each of PARTY A and PARTY B acknowledge and agree that the Declaration shall terminate upon the termination of the Agreement in accordance with its terms. To this end, within thirty (30) days prior to the termination of the Agreement in accordance with its terms or as soon thereafter as is practicable, each of PARTY A and PARTY B will provide written notice to PJM of the termination of the Declaration.

IN WITNESS WHEREOF, PARTY A and PARTY B execute this Declaration to be effective as of the date written above.

PARTY A

PARTY B

NAME:

NAME:

TITLE:

TITLE:

Attachment I –Cap. Structure

AEP OHIO
CASE No. 13-2385-EL-SSO AND CASE No. 13-2386-EL-AAM
Cost of Capital
(\$000)

Date of Capital Structure: December 31, 2015

Line No.	Class of Capital	(\$) Amount	% of Total	(%) Cost	Weighted Cost (%)	Pre-Tax Weighted Cost (%)
1	Long-Term Debt	\$ 1,950,000	49.54%	5.56%	2.75%	2.75%
2	Short-Term Debt	\$ -	0.00%	0.00%	0.00%	0.00%
3	Common Equity	<u>1,986,600</u>	<u>50.46%</u>	<u>10.00%</u>	<u>5.05%</u>	<u>6.46%</u>
4	Total Capital	<u><u>\$ 3,936,600</u></u>	<u><u>100%</u></u>	<u><u></u></u>	<u><u>7.80%</u></u>	<u><u>9.21%</u></u>

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

5/4/2018 4:59:53 PM

in

Case No(s). 16-1852-EL-SSO, 16-1853-EL-AAM

Summary: Tariff -Compliance Tariffs filed in accordance with the Commission's Opinion and Order date April 25, 2018 electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company